

**A Response to the Request for Proposals No. 4051-01414 for the
REDEVELOPMENT OF THE WORLD TRADE CENTER SITE**

**Presented to
THE CITY OF NEW ORLEANS and THE NEW ORLEANS BUILDING CORPORATION**

THE WORLD TRADE CENTER



An Iconic Re-Development Project at the Heart of the City,
the Country and the Hemisphere, in New Orleans, Louisiana

James H. Burch LLC

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April 17, 2013

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by
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New Orleans Building Corporation
Bureau of Purchasing
Chief Procurement Officer
The City of New Orleans
1300 Perdido, Suite 4W04
New Orleans, LA 70112

April 17, 2013

Ladies and Gentlemen:

It is with great pleasure and anticipation that we present our proposal in response to RFP 4051-01414 for the Redevelopment of the World Trade Center Site. I make this offer on behalf of my company, our investors, ColumbiaNational, and our wonderful team of talented people – all of whom are elated at the prospect of being able to bring back to greater life this iconic site in the wonderful city of New Orleans. As you will see from our attached proposal, we have spent a great deal of time, and have brought in some of the best talent in the United States to apply to this site – a site which we think is worthy of that talent and human ingenuity. We have great faith in the creativity, solid prospects, and spot-on fittingness of the proposal we make here, believe they will be evident to you, and that the city and the people of New Orleans will be thrilled and proud to see what is coming. We also are fully confident of our ability to get this done.

Here is a synopsis of what we propose.

We have spoken with officials of the World Trade Center New Orleans, and have discussed with them their return to this building at the end of their current lease. They look forward to this, but will only be able to confirm any decision to us upon our signing a lease for the site with the city. They have, however, given us permission to use the name, conditioned upon this occurrence, and so our name is: **The World Trade Center**.

We Propose The Following Component Uses of the Site (approximate at this time):

- Rooftop lounge and full floor restaurant

On the 33rd floor rooftop lounge, the revolving restaurant will be completely redone, and possibly outdoor bar and private events facility can be constructed on the roof. The historic restaurant will be rejuvenated and again opened to the public.

- **550 room luxury hotel/resort**

The largest footprint in the building will be the luxury hotel. We have come to points of interest with four brands, each of whom would produce a new niche for New Orleans, and is not presently in the city. Shortly after award of the bid, we expect to then determine which hotel will fill this niche. At this time, although each hotel has its own "sweet spot," we find most hovering around 550 rooms, plus management of the rooftop lounge and 30th floor restaurant, with elegant guest facilities.

- **The World Plaza**

Our most innovative proposal is to connect the pedestrians passing Convention Center Boulevard into our new World Plaza and through to Spanish Plaza. We do this by opening up the exterior walls of three lower floors of the World Trade Center building, making them pass-through from the city activity to the riverfront. Our site will be local and unique retail – unlike any local retail or any national "mall" available now – including music clubs with open windows so that music filters out to the plaza levels, entertaining and attracting visitors at the same time. Our anchors will compliment the small retail stores, and will be like no other in the city: three or four clubs, such as *Danny O'Flaherty's Folk World* – providing entertainment to both its interior customers and to passers-by; the *monument film of New Orleans* (identified next, below), its history and the character of its people – viewed on an outside shaded patio; the *grand entrance to Eyes on the World* (see below); a *glass-enclosed studio kitchen with audience seating* for the celebrity chefs of New Orleans to offer classes to paying audiences, seen by viewers through the glass walls, and to international TV audiences; and – with permissions and feasibility – converting the regular fountain at Spanish Plaza into *Dancing Fountains with hourly special water fountain shows*. Through creative stepped-up and down design, the city will be tied to the riverfront.

- **The Monument to the People of New Orleans**

A large video screen built into a glass monument, and showing the remarkable history of New Orleans, its grit and determination and joy. This will be seen from up Canal Street, and the other side of the monument will have the same video showing for patrons of one of the Plaza's clubs to watch at shaded tables, serving food and drink. An eye-catching inscription (draft) chiseled in the monument will sum up the great humanity of the people of New Orleans: "*Our center is our heart. This center city has always expressed the joy and the love of the people of New Orleans. It shines to the people of Louisiana, the USA, the Americas, and the world to say: WE LOVE EACH OTHER. WE CARE FOR EACH OTHER. WE LISTEN TO THE TUNES OF OUR SOULS. And we thank you for sharing our joys and enriching our lives.*"

- **The Return of the World Trade Center New Orleans**

This building is the historic home of the first world trade center in the world. The identification between the institution and the landmark site is iron-tight. We have invited them to return and *offered them 3,000 sq. ft. of free office space*. They are interested, and ready to talk with us when we win this bid.

- **Foreign Consulates and "Eyes on the World"**

We have dedicated four complete floors to the return of consulates from (we expect) nearly every nation in the world. These consulates will lease this space because not only will these consulates conduct their usual business there, but 16 wings (4 per floor) will be dedicated to the 16 regions of the world, with each wing dedicated to one region (e.g., "South America"), and designed by our incomparable architects to reflect the culture, design and attractions of that country. This will additionally be a place for tourists to pay an entrance fee, and "visit the world!"

- **Luxury Office Space**

Four floors (100,000 sq. ft. gross space) dedicated to Class A office space, overlooking the French Quarter, the CBD or the Mississippi River.

- **Luxury Residential**

We will offer 42 one bedroom/one bath units, and 46 two bedroom/two bath units for lease. These will be upscale units.

Of course, we are aware of reputed problems: possibly inadequate interior stairways, current lack of parking for visitors to this site, the volume of ferry traffic tying up the area, etc. We see no inordinate difficulty in being able to solve these problems. Everything has problems. And everything – with the right minds at work (like the city, our consultants and us) – has solutions.

We take great pride in the quality of the team selected to design and build this project presented in this proposal. Perhaps the greatest architects for high-end resorts, hotels and attractions in the world is the company we have as lead design: **WATG – Wimberly Allison Tong & Goo** – who have designed about 40% of the greatest buildings in this field. The **local architectural firm of Perez** is second to none as well, and have proven their credentials in great buildings in New Orleans and the USA. Our **consulting architect, Peter Capone, AIA**, is the last living partner of Edward Durrel Stone, who designed this building in the early 1960. And the feat of bringing this into existence is going to go to the local New Orleans firm that has built much in New Orleans, is quickly earning its reputation as among the best builders in America, and whose reputation is shining: **The McDonnel Group, our General Contractor**. To make certain that all the every aspect of our plans are economically feasible and that costs, revenues and fees are projected correctly, we have selected **Schnellbacher Development Services, for ongoing Market Analysis**, headed by Gary Schnellbacher, who knows this city (through his former association with PKF studies) and these projected uses thoroughly. Residential rentals will be represented by a premiere real estate firm in the city, **Dorian Bennett's Sotheby's International Realty**. The oversight of the project is anticipated to be handled by the extremely capable firm of **Arey-Peer Partners**, who have scores of projects of this scope under their belt.

Our offer to the city is for a 99 YEAR LEASE, WITH FIVE MILLION DOLLARS (\$5,000,000) PAID EVENLY OVER THE FOUR YEARS OF CONSTRUCTION, FOLLOWED BY ANNUAL LEASE PAYMENTS OF ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000), PERIODICALLY RECALCULATED. Our financial source for this venture is the renown firm of **ColumbiaNational** of Columbia, Maryland – originally founded by legendary Jim Rouse, and still following his mantra of building creative communities that enhance their surroundings, are financially empowering, and project the area toward a greater economy and lifestyle. **ColumbiaNational** has \$6 billion in commercial and multi-family mortgages – one of the largest and most efficient portfolios in the industry. Their commitment is strong, pending our final lease negotiations with the city.

We anticipate a minimum of **3,500 new construction jobs** in the city and parish, and **3,600 new jobs after the project becomes operational**. We stress that these are very conservative and minimal estimate numbers, and the result will probably be much greater. The region will see expenditures of **\$129.7 million expended locally during construction, and nearly \$72 million annually during operation** – or **nearly \$7 BILLION over the life of the lease** (at today's dollars). DBE and local city/parish participation is to the satisfaction of city requirements.

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This is a project of consequence – to the city and its financial future, to the citizens of New Orleans and Orleans Parish, and to ourselves as developers as well. We anticipate, in our preliminary estimation of costs, that we will spend \$180 million in creating the proposal we offer to you here.

We are aware of its importance, its vitality, its creativity, its component parts all working together, the way it will bring additional tourism dollars to the city and to the other businesses presently attendant to tourism in New Orleans. In fact, we offer new attractions not otherwise offered in the city – in the Eyes on the World and the World Plaza. We know that our development will open the riverfront up to new and vibrant use by both local citizens and visitors. We think that from our efforts New Orleans will see MORE tourists than presently, and that they will then SPEND MORE MONEY while here.

There could not be a more world-class civic use for this site than that proposed here ... simply unparalleled community benefit, uses that will actually be USED by citizens and visitors with tremendous enthusiasm.

Most of all, we see in the city and its leaders a great foresight in how you see the greatness of this remarkable city unfolding. We anticipate and offer our services to assist you in this challenging endeavor by making the World Trade Center redevelopment one of the greatest achievements in the city's history of great achievements.

Respectfully submitted,



James H. Burch
Managing Partner
(and Primary Contact for the city)
James H. Burch LLC
Jim@JamesHBurch.com
703-818-8080

Attachments: Seven (7) bound hard copies of our proposal with detailed descriptions
An electronic submission of our proposal in Flash Drive, in PDF file
A cashier's check in the amount of \$50,000
Completed, signed and notarized forms as required by the RFP

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Introduction

The World Trade Center (WTC) building is the original of the 300+ World Trade Centers now a part of the World Trade Centers Association. The local WTC organization itself moved from the New Orleans World Trade Center building (our subject site) in 2012 when the city bought the WTC out of their lease there for \$2.3 million. In its heyday, the World Trade Center at the foot of Canal Street was a bustling destination, its 33 floors occupied by consulates as well as maritime and other businesses. Designed by famed architect Edward Durell Stone, (whose architect/partner, Peter Capone, is part of our team) the X-shaped, 404-foot tower — the first world trade center — opened in 1967.

Moreover, the World Trade Center building is a building that just about everyone knows. Many people from around the country and the world know it. They know where it is, what its name is, and at least vaguely how important it is to the City of New Orleans. That's not something that ought to be lost.

It is the Respondents' unwavering conclusion that this building and site will return to – and will surpass – its former status. It will reflect the resurrected New Orleans.

James H. Burch LLC is the developer of the project, and is working towards acquiring the services of Arey-Peer Partners, Peter Arey and Steven Peer, as the owners' rep/construction manager, upon execution of the lease with the city . The McDonnel Group will be the general contractor. Perez will do the architecture, in conjunction with Wimberly Allison Tong & Goo of Irvine, CA.

We have chosen to re-title the building in its original name: "World Trade Center." It connotes 1) the iconic architecture of the building, deeply ingrained in the fabric of New Orleans since this building became the capstone of the city's major rejuvenation in the 1960s; 2) the extraordinarily prime location at the very center of the most prominent buildings, districts, activities, business and tourism attractions in this famous American city; 3) New Orleans centrality in the United States, which draws conventions and visitors, even away from other central US cities because of its warm weather and bustling array of tourism attractions; and 4) its centrality within the Western Hemisphere to both business and tourism. The World Trade Center New Orleans has verbally indicated that they would like to return to this building, their home since 1967, and which is so linked to their existence and mission. We understand that they cannot commit to that until we win the bid and make a concrete offer to them. But they have given us verbal permission to use the WTC name, conditioned upon our meeting this mutual goal after our winning the bid, and proceeding to lease agreement negotiations with the city. For our part, we want them to return, and anticipate that that will be accomplished once their current leases expire. Therefore, with their permission, we state in this proposal that

this building will be returned to its historic name: "The World Trade Center."

Note:

We are aware of the belief in some quarters that leveling the building and leaving only a larger plaza there would create a new communal, civic use place. There are three main arguments against that as this site's singular purpose. First, it would have no anchor, no reason for its existence other than being a large place (what's the draw once you get there? In every other major city where that has been tried, only emptiness eventually results. An occasional concert doesn't cut it). Second, it would at best be a meager creator of cash flow for the city (why pay big money to tear something costly down, when it does not make any significant return or profitability at all?). Finally, it would be the destruction of an iconic symbol of the resurrection of New Orleans. After all, this building spear-headed the first big 1960s reinvigoration of the city of New Orleans.

Why not do it again? Why not tie that good idea – the idea of a revitalized waterfront – into the good ideas here. Let's together make this site what it was: the statement of New Orleans' greatness.

We feel that the city really would not want an iconic and monumental building to be torn down that everyone who has ever been to New Orleans ALREADY KNOWS, in favor of building a new structure that they HOPE will become iconic and monumental over many years to come? It's just that nobody has come up with a good-enough plan yet. **Until now!** The city is wisely making certain that it has options, because every proposal in the past has been lacking. So now we all ask together: "Why lose jobs from this site rather than make them, when the building will generate jobs and an open space will not?" Let us, the developer, pay the BIG MONEY and not the city, while the city uses the substantial profit it will make from our activities and improves the waterfront without dipping into public funds. This is a Win-Win.

It is prudent government to have a fall-back position; most governments don't think that far ahead. The only better alternative is not to have to use that fall-back position because you have in hand a proposal that makes this a clear choice: our proposal which generates income for the city vs. a proposal to tear something down, expend money and then not make money. **We applaud the idea of creating a waterfront along the Mississippi River that will draw the public to it.** The city obviously sees that something comprehensive can revitalize the waterfront – and this time it will be right. If the city wishes to create a new master plan the riverfront so as to make it more useable, that would be wonderful. Whatever might be done in this regard, **THE PROPOSAL WE MAKE HERE WOULD COMPLIMENT ANYTHING THAT MIGHT COME LATER.**

It is the Spanish Plaza and the Dock Board land that needs reworking. The World Trade Center site needs REDEVELOPMENT, not demolition (and energy used in annihilation is SO NON-GREEN). This site is far enough back from the water's edge, and close enough to the city activity, that its development as proposed here would not interfere in any future waterfront plans, and could only enhance them, by attracting more people to go there.

Moreover, the new money the city will be deriving in direct and indirect taxes resulting from the uses we propose here can help any future riverfront development. We congratulate the foresight and wisdom in the merger of our plan and that of the city. When the smoke clears, the city has set this up well.

Detailed Description of the Proposed Redevelopment

1. Ownership of the Development Entities

James H. Burch LLC

Owned by James H. Burch (100%)

2. Developers

(Qualifications to follow later in this Presentation)

James H. Burch LLC

13419 Cavalier Woods Drive
Clifton, VA 20124

Arey and Peer Partners

Construction Management and Owners' Representative
Great Falls, VA

3. Contact Persons

(for Correspondence and Notification, and Authorized Representatives to Work with NOBC)

Mr. James H. Burch, Managing Partner

James H. Burch LLC
Jim@JamesHBurch.com
13419 Cavalier Woods Drive, Clifton, VA 20124
703-818-8080
Jim@JamesHBurch.com

Representing the Managing Partner of the Venture:

Mr. Peter Arey, Partner

Arey and Peer Partners
Great Falls, VA
Phone: 703-789-7612
Peter@areyinc.com

4. Schedule for the Project

FIRST SIX MONTHS

Upon execution of the developer's lease with New Orleans, work will IMMEDIATELY begin: gutting all the floors; refurbishing the elevators, the motor of the revolving rooftop lounge; refurbishment of exterior siding and windows; mechanical, plumbing and electrical core work; removal of the walls on the lower three floors of the building; architectural and engineering drawings for fast track submission.

SECOND SIX MONTHS

The World Plaza will be expanded through three lower floors of the World Trade Center building out to Convention Center Boulevard; interior work on all segments of the building will be begun; leases solicited. The World Plaza will seamlessly tie into the Spanish Plaza. Some exterior building work will begin; interior renovations will begin, based on fast track approvals, depending on the city's timing.

THIRD SIX MONTHS

Construction will be ongoing; offices, consulates ("Eyes on the World"), retail lease options will be presented to future lessees; the parking will be under construction or renovation, in conjunction with the city; the monument facing up Canal Street will be under construction; the retail ground level floors and exterior extension of Spanish Plaza will be nearly completed.

2015 –THE TRICENTENNIAL!

The monument will be completed early in the year. The hotel, office and residential will be under construction. The Spanish Plaza will now tie into World Plaza and open in the spring, depending on city fast tracking approvals' schedule. World Plaza retail will open in the spring. The WTCNO office space will be ready for when their current lease expires. Model residential rental units will be ready for showing for lease. Danny O'Flaherty's Folk World and other night clubs will open. The monument and the inscription will be complete. THE EXTERIOR OF THE SITE WILL BE READY FOR THE TRICENTENNIAL!

2016 – COMPLETION

Depending almost completely on the city's response time to the developer's submissions and permit requests, it is the developer's plan to complete the construction and open all phases by late 2016.



At the foot of Canal Street, the World Trade Center building is the focal point of New Orleans.

5. Comprehensive plan - A Narrative Description

Because the World Trade Center Building has been such an important part of New Orleans for the past almost five decades, the spearhead of the rejuvenation of the city, and a source of pride for the city's leadership in international trade – for these reasons and more, we feel an obligation to return it to its destiny. Additionally, this iconic building sits at the cornerstone of the City of New Orleans – right at the edge of the French Quarter and the Central Business District, and at the foot of Canal Street and Poydras Street. It has the potential to tie all the beautiful and vast elements of this one-of-a-kind city together, to exemplify and shine a light on all the powerful joys and talents of this unique blend of people. And that is a potential we offer to bring to full fruition with this proposal.

We have longingly anticipated this bid and savored it as we put our concepts to paper. Winning this bid and successfully negotiating a joint vision with the city's representatives, we will together accomplish with the city at this site what we propose here. In fact, what we propose will be improved as the city and we move it forward in our constructive negotiations.

Some Caveats

Our proposals are not single use. They are not plain vanilla. They are not just a way for the developers and the city to merely use the site for the acquisition of money, though that certainly happens, given time. Nothing, though, happens in a flash. Everything here requires more thought, more interaction with the city, more answers to problems that could never be answered fully by April 17, 2013 for those wishing to do it right.

For these reasons, we have obviously not presented a fully finished product. We suspect you were wise enough to have understood that from the beginning, which is why you put in up to a four month negotiation period. But we believe the city's representatives will find that we have presented more than adequate documentation to show

unsurpassed creativity, income on a sustained basis for the city beyond expectations, a coalescing of strengths that will re-emphasize the beauties and talents and joys of this city and its people.

Let us show a couple of examples of what we should NOT be doing at this point, even though we might like to and wish that we could.



First, the history of the building is important, most especially for the city, but also for the historic tax credits such historic preservation makes available, and which enables us to do much more here than would otherwise be economically feasible. One issue of historic preservation is the question of the façade – the concrete exterior walls and the small windows. Are these a part of the historical part of the building or not? The answer makes a big difference on whether or not the building is re-clad and resurfaced or whether the exterior is left relatively as is. At this point, we have the last remain living partner, Peter Capone, AIA, of the original architect, Edward Durell Stone, as a consultant to James H. Burch LLC, who tells us that the concrete exterior and vertical windows were never very important to Stone but rather were a last minute completion step. What Stone saw as unique and historic was the "X" shape of the building, at its precise location. Nevertheless, the right answer to this question requires much more work and time than could have been accomplished between January 3, 2013 and April 17, 2013, and then to get the design done properly. However, it is something we will quickly proceed with, something we are in process of, should we win this bid. For now, we show a building whose concrete exterior portions are retained but cleaned and perhaps re-colored, and the same windows minus the view-blocking aluminum "fans," and preserving the verticality of exterior design, an updated but clearly "New Orleans look."

Second, another presently-unsolvable problem is that of parking. Without our negotiating with the city, any solution will be simply a shot from the hip, and not worthy of serious people. That includes not only

the parking structures, but also the number of parking place, given the uniqueness of uses proposed. We only want to put forward what we can do, not what may or may not be. Elsewhere in this proposal, we outline four parking options. One may work best, or a combination of several. We do not intend to insist to the city they must do what we prefer. We would rather lay out the alternatives, ask for the best solution from our point of view, and then hear what the city has to say. So there is another decision that materially affects what kind of design we will have: where the parking will end up. Yet ... it is a problem most certainly solvable. It's just not a problem capable of being solved without the city's involvement.

If representatives of the city might have been hoping for more final presentations than the fully-credible options we are presenting, we hope that they might understand that our making those decisions now could dirty the water, harden viewpoints, imply wrong assumptions and not lead to as worthy a summation as will occur under the process we hope to be engaged in with you over time. Moreover, we believe we have given more than adequate evidence that

the developers and the team here are extremely capable of moving solidly and quickly toward what will be the best result possible – something for which the city leaders and the citizens will be very proud.

The Name of the Building

We are calling this building the “World Trade Center.” This name is copyrighted by the World Trade Center New Orleans (no longer at this building) and by the World Trade Center Association, headquartered in New York City. However, we are using this name in anticipation of the World Trade Center New Orleans moving back to this building. One of the respondents to this RFP, James H. Burch, was the founder and the first chairman of the World Trade Center Washington, DC in the mid-1980s, and knows this national organization and many of the people in it.

We have spoken with officers of the World Trade Center New Orleans to see if they might be interested in returning to this building that is so much a part of their history and character. And, yes, the World Trade Center New Orleans is interested in returning, when their current lease expires. Without our having yet the right to make them a concrete offer, all we can mutually do is talk about it. But we do talk about it with anticipation. We, as Respondents to the RFP and potential developers of it, feel that would be a wonderful part of this plan, and we have asked them to return, about what we can set aside for their return, and how we might tie all the elements of our plan together to enhance their work. (See description of our offer to them in later sections of this proposal.) This offer is something we will pursue, should we win this bid and successfully negotiate a contract with the city.

Should the World Trade Center New Orleans return to this former “World Trade Center Building,” then the name **World Trade Center** will once again be attached to the building. We are presuming so in this proposal, with their verbal permission.

What the Building Will Look Like from the Outside

From a distance – from the river, down Canal Street, down Poydras Street – this site will be the finale, the exclamation point of a magnificent city. We propose to clearly define the termination of Canal Street at this site, and to reconfigure the plazas to make this visually explicit. One way or another, Canal Street will flow into our Convention Center Boulevard street frontage, flow through our opened (i.e., removing the walls) three floors, and to the Spanish Plaza. What would be ideal is if the ferry landing operation were removed from adjacent to this site and taken somewhere else. Such a move has been discussed previously in the city, and we feel it is time now to do that. This is possibly the main focal point of the City of New Orleans, and an industrial use which draws heavy commuter traffic simply passing through is not the best use here. However, that decision will be the city’s alone to make, in consultation with other parties. We can only suggest it, and make a case for it. Even should that move not occur, it is our intention to connect Spanish Plaza all the way through our building up to Convention Center Boulevard by our new “World Plaza.” If you consider this a difficult undertaking, we ask only that you consult the work our architects have done in the past to conclude that they are more than capable of creating a fabulous landmark site here, out of this very concept.

As discussed previously, the façade of the building will probably not be re-clad in any other material. However, this decision will await further studies, and consultation with the city planners.

The top three floors of this World Trade Center building – the round floors comprising the revolving lounge/bar on floor 33 and the mechanical floors 32 and 31 – will be possibly be re-faced with glass and mirrors, and to be resplendent atop the building. At night, bright lights will be pointed up and out from the lounge/bar roof, projecting up into the sky and able to be seen from the French Quarter and the CBD. This light will be able to change color seasonally or at a single instance, so that it might change depending on circumstances. However, the light will not shine ON the river or down on the city, or in the guests of the lounge/bar or any other part of the building, so that it will not be offensive to people trying to sleep, or work, or just go about their business. It will shine UP. This beacon will quickly become a feature of the city, known by its citizens and its visitors. Lights have lit the building in the past, and we will have our architects study what could be done without intruding on the guests who will now use this building at night (as they usually did not do when it was only an office building).

We don't know of any other such visual light landmark in any other city in the world.

Possibly the most interesting new and creative undertaking will be the

Creation of the World Plaza - tying seamlessly into the Spanish Plaza.

We intend to create the World Plaza, by removing the walls of the bottom three floors of the World Trade Center building and expanding out onto the now-unused open space, so that there will be a seamless expansion to the Spanish Plaza all the way through our building and out to Convention Center Boulevard.

It is a real shame now that the wonderful Mississippi River waterfront is so little used. Such waste will end with our plan, especially if the ferry terminal is moved, leaving space for a Mississippi River display. If, as we ask (but not require or demand) in this proposal, the city will remove the ferry operation from its present site, we will celebrate the Mighty Mississippi with a design on site now used by the ferry terminal, that will historically inform as it entertains. It is our proposal that, once access to and from the present Spanish Plaza is made easier, that such space (NOT under our control) be enhanced with garden/flower overhang walkways, providing shade and fans during the hot summer days, and with those walkways wide enough to invite artists, like those who don't presently have enough space at Jackson Square, to come to Spanish Plaza. All entertainers and artists would be licensed by the city, as is done now by the city. We would like to see this Plaza dedicated to the individual artists selling their wares, and to a stage area which we will establish as part of our redesign of the first three floors, which would host free jazz concerts of the music of New Orleans every night. The present Spanish Plaza area would contain only the artists and the music and the existing food stores allowed presently by the city, and no other commercial ventures, so that there would be the most room possible for the artists and the people who will come to buy their creations. Each night we might have (depending on eventual economic feasibility) a Mini Mardi Gras party throughout the new World Plaza. This will not only be an attraction to visitors, but it will also entice them to Mardi Gras World and be a subtle invitation back for the real Mardi Gras. *All suggestions for the Spanish Plaza are only requests on our part, as that space is not part of the RFP nor of our response, and that space is not within our purview.*

Something has to pay for this festive atmosphere, of course, and that will be our retail area, made from the three floors opened up and become a part of the World Plaza, as well as the open space between our building and Convention Center Boulevard. This will give us approximately 100,000 sq. ft. of retail space, 75,000 sq. ft. net. The tenants of this space will be food and unique, quality, "New Orleans-like" stores (not "luxury- too-high-for-average-folks-to-buy" items, but also not junk). First and foremost, LOCAL stores that cater to the types of visitors that will be coming to the World Plaza will be asked if they wish to open another store at our location. We want as many local merchants as possible, and as few national chains as possible, although certain national chains would be appropriate, owned by local business people. Certainly no fast food chains.

This retail has to SPEAK "New Orleans" and not look like every mall in America. For example, the famous New Orleans' musical artist, Danny O'Flaherty, will be returning with "Danny O'Flaherty's Folk World," an authentic Irish bar with music from around the world. The inclusion of retail at the World Plaza that attracts because of its festiveness, its free and other New Orleans music concerts and it artists, will be noticeably enhanced by the retail component and make it even more attractive to visitors. We want

them to stay longer in New Orleans because they have more to do, and spend more money because there are more options.

We are very cognizant of the wisdom of good environmental planning and execution for buildings and site. We ask you to notice the environmental awards and considerations all of our contributors have put in their past endeavors. This project will utilize the best and latest green techniques and products available.

The Interior Uses of this Iconic Building

The dominant force and focus in this 33 story building will be the luxury

Hotel/Resort

Comprising some 11 floors, plus a full floor of

restaurant and banquet rooms

(the 30th floor) and the lounges/bars revolving and on the roofs. From among the final contenders, all are undisputed leaders among the world's most luxurious hotels and resorts. We anticipate an initial 500+ luxury rooms and suites, superbly designed, executed and presented. This hotel/resort will be one of the premiere hotels in the city. We are presently discussing this with five finalists, and will come to a conclusion as to which brand it will be during the negotiating period with the city.

We previously remarked on the exterior look of the revolving lounge/bar on the top floor. Inside that lounge/bar will be an exciting look – and nobody can create that better than our lead architectural design firm, WATG, together with the wonderfully talented local design company, Perez – that will make this one of the biggest draws in the city. We anticipate, further, that on one of the wings of the roof there will be an outside lounge/bar, and on another wing of the roof will be yet another covered lounge/bar, for special events, weddings or special corporate gatherings. The third wing of the roof could be an herb and kitchen garden for the chefs at the hotel restaurants.

Adjacent to the hotel floors will be luxury residential rental units.

We know the city is about to come into a need for such units, particularly as the new medical facilities get built further out Canal Street and Tulane. Our realtor and marketer for these residential units will be the premiere firm, Dorian Bennett Sotheby's International Realty, which is excited about possibilities here. New people to town want to live in or as close to the French Quarter as possible. The amenities provided these rental units will be the hotel amenities, including concierge and room service for the rental units; and the hotel will manage the residential rental units. Leasing will be done by the on-site Arête Management Company. Such a tie-in with Hotel and Resort will add enticements to prospective residential tenants hard to find elsewhere. Moreover, the residential units will be designed in such a way, and will be geographically adjacent to the hotel floors, so that – if demand for more hotel rooms in the future should present itself – the residential rental units could be converted to more hotel units.

The World Trade Center is expected to return to this building. In the past, they have utilized about 3,000 square feet of space. We anticipate working with them to be integrated adjacent to the internationally-themed area,

“Eyes On The World” – a new experience of consulates from the nations of the world.

Not like the usual anticipation of what a “consulate” will look like (wood desk surrounded by file cabinets), each area of the world (e.g., Southern Europe, or Central America, or Eurasia) will have a separate wing of the building (a quarter of a floor), which building was almost originally designed for such an idea. Each wing, then, housing a specific geographic area of the world, will have a stage area in the center – perhaps with a map of that area on the ceiling or on the floor – and perhaps occasional artists or shows from the area. Around the outside of the lounge will be the country desks of the nations that comprise that geographic region. But their “desks” will not be what is usually envisioned by “desk.” Instead, they will be interactive staged areas with computers and visual accoutrements to bring alive those nations at this place. Citizens of those nations can come there to conduct business with their home governments, other citizens can get visas, or find what products are sold there that they might need, or find optional partners to joint venture with. This will be a new endeavor on the world scene. It will also be designed in such a way that it too is a tourist attraction – an opportunity for nations of the world to market themselves.

This idea has been test presented at several embassies in Washington, DC to evaluate their interest, and we found that such interest is pointed and strong. Nothing, however, can ever be done with embassies until it is not a “what if” but rather a “done deal” inviting them in. Only then will they really consider this proposal and officially react to it. However, from our experience over the past thirty years in international relations within the countries represented to our government in Washington, DC, we are certain this can be accomplished, with great participation of most foreign governments and/or their chambers of commerce.

We will be utilizing the four-floor Eyes on the World consulate presentation, not just for business and tourism, but also as a tourist attraction itself, with visitors paying an entrance fee for a look at most of the nations of the world showing their country’s best face. **Consulates will constantly present information and culture about their respective countries** (not unlike a much smaller version of the country displays at DisneyWorld’s Epcot Center, World Showcase). This would bring many more tourists to Eyes on the World. There would be direct access from the plaza to Eyes on the World (not using the building elevators), and a grand entrance at ground level. For business visitors and others doing direct business with the consulates, they would use the elevators for a private, free entrance.

The Attraction of the New Orleans World Plaza

World Plaza will be 100,000 square feet, joining Harrah's and Convention Center Boulevard to Spanish Plaza and the Mississippi River

on over two acres, considering the three building floors and the outside plaza extensions, of entertainment space from the World Trade Center building, plus whatever more is able to be added at the foot of Canal Street, and yet more if the ferry terminal operation is removed. We intend this to be an entertainment and recreational draw like no other in the city or in the world. Every day during the daylight hours there will be artists and their sales, enhanced by the World Plaza retail operations, open all day and providing sales of the things people come to New Orleans to enjoy. Each evening there will be light shows and the celebration of Mini Mardi Gras (if economically feasible after negotiations with the city), with parades, beads, music and dancing. Danny O'Flaherty's Folk World will have top live musicians from around the region and the world. The retail will be going strong. The city will issue permits to unique and unusual entertainers and artists in the city who would not have a stage of their own. They can get their licenses from the city, as they do now for other locations, and they will not be paid. This will be the kind of entertainment spot that nobody who visits the city would want to miss. It may be that not every visitor wants to walk the French Quarter every night, so this gives them something else very attractive to do.

Because the design, execution and constant expression of this entertainment area will be clean, family-oriented, of excellent design, safe and fun, it will set an additional new source of good reputation for the City of New Orleans, one which travel writers will praise loudly. And, thus, it will bring more business and tourism to New Orleans.

The Focus, Interest and Dedication of the Principles of this Proposal

We are people who like to do big things, things that make places *better*, things that are fun and noble to do. We want to make money for ourselves and for the city, of course, but we also insist along with that, that if we are going to spend the effort and time to do something, let's do the BEST thing we can do, something that will enrich the lives of others and present them options to grow in experience, knowledge and compassion. That is what we want here. It's the only kind of work we are interested in. We know this is the place, and we know we can pull this off. We want the city and its citizens to look at this and be proud of it. We will do all that, and so ask that you select us as the winner of this bid and negotiate a lease with us to develop this magnificent site with the vision we herein put forth.

6. Balance between Commercial Uses and Civic Potential / Description of Use of Space with Design Elements for Civic and Community Benefit

Commercial uses are appropriate to the business of city living and production. They provide taxes to ensure the continuation of an orderly, dynamic and growing community. They provide incentive for individuals and corporations to make profit and to make yet more things happen. Obviously, commercial usages are a large and substantial part of this proposal. They are:

- A luxury hotel
- Lounges, bars, restaurants, banquet and meeting rooms
- Approximately 100,000 square feet of retail
- Office rental space – for international consulates, top businesses and non-profit corporations
- Residential rental units

Uses which are of **Community Benefit** are pervasive in this proposal:

- Meeting rooms and banquet rooms to induce more tourism and provide enhanced options for local users
- A rooftop bar and lounge which will be a focal point in the city
- Consulates from nations around the world, anchored by the World Trade Center New Orleans, will encourage international trade, serve foreign and US citizens in their travel, further international business joint ventures, and provide an attraction about nations from around the world with exhibits and entertainment – a new level of tourism for New Orleans
- The expanded World Plaza, extending from the river and the Spanish Plaza through three floors of our building and all the way to Convention Center Boulevard, and – perhaps – including area from a moved ferry terminal, will produce one of the city's grandest daily and evening draws, and provide the city with a spectacular fun draw for tourism

7. Plans

Given the decisions still to be made regarding this building between the developer and the city, each of which would materially change the design and/or uses, and given that no such decisions can possibly be made outside the context of negotiations with the city following winning the bid, we are therefore only submitting preliminary design, together with conceptual photos gleaned from similar ideas, very early renderings sure to change, and an array of options. All of this will be solidified DURING and AS we negotiate with the city, to determine what the city will allow and what would be the city's and our mutual priorities for this building and the design environment we propose.

After you have reviewed the qualifications for the primary architectural firm, Wimberly Allison Tong & Goo (WATG), and with our other premiere, local design firm, Perez (a woman-owned company), you will note that the capability to produce a design totally in keeping with the city of New Orleans is most evident. We emphasize that the final design will be in keeping with the character of New Orleans, a unique city like no other. Whatever changes will occur during the contract negotiation state, we know that they will be made in conjunction with the city. This city has its own architectural character. There are many wonderful design firms, some of which we interviewed as a part of this process, but whose designs simply do not match the temper of this city. Some designs might look wonderfully breathtaking in New York or Miami, but they would not fit here. Ours will fit New Orleans. When we have finished negotiating and will have signed the contract with the city, the preliminary design will be done, will be signed off by both the city and us as developers; then and WATG and Perez will begin the final design work.

It should be noted that we will ask that the design submissions and permitting be done on a fast track basis, so that it does not all have to be done before we begin work on the first segments of the job. We can begin phases as later phases are being submitted for approval. Design will be done so that the first plans for the first phase will be completed, as the next phases are being worked on, so that the construction begins before all the stages of the plans are finalized. We want to get moving fast, and to be able to celebrate the Tricentennial – with as much open as possible.

However, while we cannot yet reasonably and fully predict exterior visages of the 33 story building itself, we do present a preliminary concept of the building, opened up on its lower floors and sitting in the midst of the World Plaza and the Spanish Plaza.

Exterior Elements

(Considering the exterior changes, please keep in mind the following:

*There are several uses planned for this site in our proposal. We wish to emphasize that the luxury hotel, the luxury residential units, the offices for the World Trade Center and the other offices to be located here are quite different from the public uses of the revolving lounge/bar at the rooftop, the Eyes on the World tourism attraction and the grade level/first three floors of public retail. **The Luxury hotel, the luxury residential units, and the offices will have a completely different access than the public places; this private access will be located at a lobby and motor court entrance located on the upriver side (the right side) of the building, looking from Convention Center Boulevard, and will be another world from the public areas.** All the public access will be through the escalators and elevators located in the center of the newly-expanded World Plaza that extends into the building itself.)*

THE REVOLVING LOUNGE/BAR AND ROOFTOPS



The revolving bar lounge on the top 33rd floor of the World Trade Center is tentatively proposed to be stripped and re-clad with a clear glass and mirrored panels. The above left photo shows the concept on a square building, but the revolving lounge/bar is, obviously, round at our site. The portions not utilized by the bar/lounge itself, i.e., the utilitarian areas on floors 31 and 32, will all be of the same glassed material, three floors as exemplified in the photo above left. (All hurricane-proof, of course.)



On the top three glass floors, colored lights will be projected out from the roof UP, as shown below, to produce the effect of a beacon of light, able to have color changes at various seasons – and multi-colored vibrant and ecstatic during Mardi Gras. This beacon will be able to be seen (but will not shine ON, or be obtrusive) from within the French Quarter and the Central Business District, and will become a landmark in New Orleans.



The round top should become clear glass, as exemplified above, and color light (changeable) projected up. Nightly on the hour there would be a light show, where, possibly, 1) the light from the top (see above) would change colors in a light show, while 2) the light show on the ground levels would imitate that same show in the festive “Mini Mardi Gras” being held nightly, and, additionally – if permission can be granted from authorities – a simultaneous third matching light show below water in the Mississippi River just off the Spanish Plaza. (Even a muddy river can radiate underwater light.) To protect the architectural integrity of the building (as well as the historical tax credits) and the exclusivity of the hotel and other upper-level and mid-level building components, the building itself would not become a light show.

This site is over 12 miles from the Louis Armstrong New Orleans International Airport, and the lights should not provide any concern to airport authorities. If the FAA eventually does have any concerns, we can always keep the lights but have them only shine lower in the sky.

Two of the wings of the roof will be utilized to provide an outdoor public lounge area on one wing, and, on the other side, an enclosed area for private rooftop parties. One wing of the roof will be a herb gardens for the gourmet restaurants in the hotel. One wing of the roof could possibly be a complex of gardens and pools, if better spots below are not achieved.

THE EXTERIOR ARCHITECTURE OF THE X-SHAPED BUILDING FAÇADE

There is another fundamental reason why final architectural renderings cannot not be offered in conjunction with the submission of this bid. It is because we are not yet certain what constitutes the historic totality of the building. We are inclined to believe that the exterior cladding of the building – the concrete and elongated windows – are not crucial to the historical nature of the building. Perhaps the verticality of the design is. The building was designed by Edward Durell Stone. Mr. Stone's senior partner at his architectural firm and his fellow architect on all his designs was Peter Capone, AIA. Mr. Capone is the only living partner of Edward Durell Stone, and he is a consultant to our team for his knowledge of Mr. Stone's work and intentions. Mr. Capone states that the cladding and windows were almost afterthoughts to the design; that the "X" shape of the building was its distinguishing feature. We will be working with WATG and Perez, and with local historical consultants and historical tax credit attorneys to determine to what degree historians agree that this is so.

We probably will not replace the exterior cladding in any respect, so as not to lose the historical tax credits associated with this building, and because it can be upgraded and made beautiful as is. The only exterior building changes will be to the lower three floors, opened and beautified. The determination of this matter is not something done quickly. It is not possible to arrive at a historic character determination by the time the bid was to be submitted, but such determination will be made within a few weeks into our negotiations with the city.

THE LOWER THREE FLOORS

Our MOST important design element is that we will open up the entire lower three floors of the building, and, using the World Plaza, tie it seamlessly to the Spanish Plaza.

Mayor Mitch Landrieu has said, "I hope the future of the city involves an *open space*." And "we plan to take the World Plaza and the lawns and land between this building and Convention Center Boulevard to their highest and best use that *invites the most people to participate in it*." Here we give that to him and the city in abundance.

Of crucial importance here is that this open space we will be providing the city is *USABLE* open space. City after city in America has open space that nobody sees or uses. They have open space that nobody wants to go to because they are boring. Our open space will be like the city of New Orleans: active, alive, fun, in constant motion, filled with ingenuity, creativity and surprise.



Because the entire lower three floors of the building would be opened up, extending seamlessly with the World Plaza, the front of the World Trade Center building, facing Convention Center Boulevard, would become the opening face to New Orleans. Canal Street will terminate at the renewed, opened up, World Plaza – running all the way from Canal Street and Convention Center Boulevard and Poydras Street, straight through to Spanish Plaza and the Mississippi River.

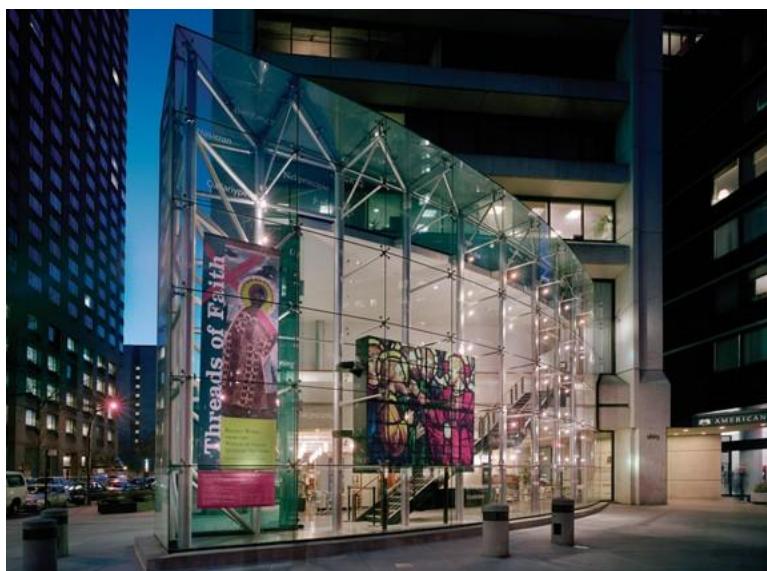
BOASTING THE CITY: PROCLAIMING ITS GRIT, ITS VERVE, ITS DETERMINATION, ITS FEELING

On the street side of the extended plaza, in a stand-alone setting, a large LED video screen will be within a glass elevated presentation structure, facing up Canal Street, with a continuous-loop video showing of people interacting, laced with scenes of the history of New Orleans, the fire and beauty, the adventure and bravery, the mixture of peoples and love of life, people smiling and acting neighborly. The final video screen, before re-looping, would state “Our Center is our Heart.” This would be the standard video playing, but periodically another could be shown. We anticipate this to be a free-standing glass structure, elevated from the ground, at the foot of Canal Street. The video and statement could be two-sided, and the back side of this convex monument be an attraction in itself at which the video, with sound, would be a draw for visitors. Some of the lower three floors of our building will remain intact as truck delivery, core operations, and unexcavated space. The escalators will be refurbished and wide stairways added, together with handicapped access.

At the main entrance to World Trade Center, at the same display as the video (see below) would be a large inscribed statement with these words (draft! ... to be reviewed and approved by the mayor and/or city council and any other appropriate agencies):

Our center is our heart. This center city has always expressed the joy and the love of the people of New Orleans. It shines to the people of Louisiana, the USA, the Americas, and the world to say: WE LOVE EACH OTHER. WE CARE FOR EACH OTHER. WE HELP EACH OTHER. WE LISTEN TO THE TUNES OF OUR SOULS. And we thank you all for sharing our joys and enriching our lives.

This would certainly be like no other attraction to visitors to New Orleans and give them a most positive (and true) impression of the people and its city. It would tie the party atmosphere reputation to human joy, uplifting while not overbearing. **On the other side of this monument facing Canal Street, would be the same video, this time showing, with sound, to guests seated around outside umbrella tables (and inside, air-conditioned space tables with windows open) savoring the historic video of the history of New Orleans. This will be one of the anchors to our World Plaza retail.**



(The architectural firm FXFOWLE – who is possibly assisting another bidder in this RFP – created this, and we use it only as an example of a similar kind of artistic glass structure that our architectural firm will create to showcase the video of the city history and the engraved declaration of the city character.)

UPGRADE, UPLIFT, REJUVENATE AND EXTOL SPANISH PLAZA



This plaza is the focal point of the Riverwalk. The city already wants to turn it into a place of celebration, so we propose a sunset celebration each night with a small nightly Mardi Gras. There will be free New Orleans jazz concerts nightly emanating from the open windows of the night clubs of the World Plaza, entertaining guests to the World Plaza free. On the Spanish Plaza itself, we propose entertainers, singers, musicians, sundry and unique entertainers who will attract and entertain. The city may issue permits to perform here, as they do elsewhere. IMAX, the Audubon Aquarium, Riverwalk, and other current vendors/stores should like this as it will attract thousands of new visitors to their stores.

Easier access to this riverfront plaza is achieved by making the first three floors of the World Trade Center building open, see-through and a pass-through to the river plaza.

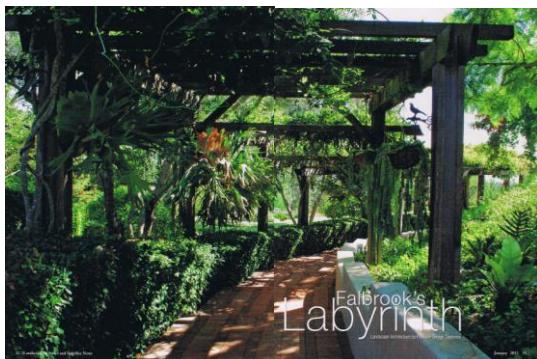
This will allow the World Trade Center to **capture much in retail sales** as people flow from the Harrah Casino, the streetcar stop and other Riverwalk venues through the plaza. We will have bars, food, products, permanent sales stations and kiosks on our property. It will also include live music shows, such as Danny O'Flaherty's Folk World (see below), and the New Orleans historical video shown outdoors at one of the club patios. We will provide shade as a relief from the direct sun during the day. If the city sees fit to move the ferry terminal operation to some other location, then expansion and opening up of World Plaza will also incorporate **passage through the ferry landing access to provide greater access to Audubon Aquarium, the park and IMAX**, and we will have our architects work with the city to this effect. Of course, the best

option would be the removal of the terminal operation to another site, allowing us to incorporate that space into World Plaza as well, and we ask – but do not, and could not, “demand” – that of the city. The first floor also will provide a covered area, protected from rain and sun, for drop off from cars, taxis and limos.



The above photo shows the lower two levels (below the overhang of the building) which will be opened up and connected to Spanish Plaza by stairs and handicapped walkway. Safety will be an important consideration and factor. Above the platform, the third floor will also be opened up.

The open air Spanish Plaza in the New Orleans heat and humidity needs shade options for comfort, lush gardening for maximum attractiveness. We urge Spanish Plaza to incorporate landscaping similar to what is shown below, and we will work with the city to allow us and the Riverwalk operator to upgrade the existing riverside of the Spanish Plaza to follow suit. Because we recommend space for artists at Spanish Plaza, like at Jackson Square, as much shade for them and for visitors as possible is important, creating a walk the tourists will use to view artists' products a most enjoyable one.



example of lush landscaping for Spanish Plaza with wider walkways for artists to sell wares.



Example of tiered activities to connect and enliven World Plaza, connecting it to Spanish Plaza

GRADE-LEVEL IMPROVEMENTS OVER TRACKS



There are tracks – not attractive – on each side of the building running parallel with the river. **Two platforms will be extended out from the building, at the level of the current third floor overhang, covering these tracks.** Trains run here twice daily, and the streetcar stops right on site, going from one end of the business district of New Orleans through the French Quarter.

On one side, on the platform near towards the Hilton Riverside Hotel, might be a small, luxurious set of pools and small tropical waterpark for hotel guests, residents and members of a private club run by the hotel, if that should be decided to not be placed on the rooftop. This pool/waterpark would overlook the river and would offer swim-up bars, food, Caribbean and jazz music, yet away from public view. It should have reciprocal welcome for members of other exclusive clubs around the world. There are very few water-immersion attractions in New Orleans, none in this exclusive range. This would be managed by the hotel.

World Plaza retail, a section of that which joins various parts of our site to the Spanish Plaza with the new and extended terraces, will be built on a platform over the tracks on the other side of the building.

Formerly, some resistance to covering the streetcar tracks was raised from the Department of Homeland Security. We find no un-solvable problem here. The building itself already covers a large portion of the tracks, and this would be simply an expansion of that present use, at 22' above the tracks.

Additional to the creative architecture to be put forward by our architects, one practical problem will be solved. The expanded Spanish Plaza is going to bring a great deal more people to this site, crossing over to the river side. Crossing the tracks with such numbers and commotion will be safer. We will devise safe track crossing locations within our confines, using escalators, stairs, elevators and handicapped access, going through to the third floor and down again.

Parking, Access and Grade Level Ingress/Egress

One significant problem with the site is that the city leased the parking garage that went with this building to the Hilton Hotel through 2019. The parking building that was designed with this building and was designed to park cars using this building is no longer a part of the site, leaving no parking for a 33 story building. Our development team has come up with four possibilities for parking. We have these four options to solve this parking problem, and will be using perhaps one solution separately, or mixing and matching among these solutions. We cannot make any determinations in this regard without the city's approval for some of the more logical solutions, and so we only at this point present the options, knowing that we will have to work this out with the city, should we win the bid. We can say this: among these four options, there are several solutions ... we would like to work with the city on the most logical first.



OPTION 1: RENEGOTIATING THE HILTON/WTC PARKING LEASE

The WTC observes that the original WTC parking garage now leased by Hilton is never full now, and was never full when Hilton used it under lease from the World Trade Center, back when the WTC controlled it, and let all the tenants at the WTC building park there free as a part of the lease from WTC, in addition to the Hilton guests parking. We would like to negotiate with Hilton Hotel and the city as a team (Hilton and us - WTC is for whom the parking garage was built – together) with the city for a new lease, to replace the existing one that will expire in 2019. If Hilton does not want to do this, the city has ways to encourage them to do so. Such a three-way negotiation would only occur after a detailed study of the parking options at that garage.

OPTION 2: ADDING A LEVEL 2 AND PROVIDING OUR VALET PARKING IN THE “EXPRESSWAY” CHAMBER

There is currently an underground, formerly-planned “expressway,” owned by the city, leased by Harrah’s, in the street between our subject building and Harrah’s Casino. Our local architect, Perez, was the architect for Harrah’s. Harrah’s now uses it for valet parking. We have been told that it might have enough height that a second level could be added which we could use. This will be a design consideration, and, because it would not be readily visible to guests, the second level we might build there, if allowed by the city, would also be used as valet parking by us.

OPTION 3: BUILD A GARAGE ON SITE

Build a separate parking garage to the right of the building front facing Convention Center Boulevard.

OPTION 4: BUILD A SMALLER GARAGE / CONNECT BY RAMPS TO GARAGE FLOORS IN WTC BUILDING

Build a smaller separate parking garage at the same location as described in solution 3, but rather than build the garage at that site to accommodate cars, rather use it only to connect it to mid-level floors of the 33 story World Trade Center building, which would have a few floors gutted and used for parking (rather than for residential or commercial space, but indiscernible as parking from the outside).

Floor by Floor Description of Uses

- 33 Floor **BAR / LOUNGES** (*Section 1 below*)
- 32 Floor (Mechanical)
- 31 Floor 2 wings: **ROOFTOP LOUNGE / ROOFTOP OPEN-AIR BAR**
 1 wing: **LUSH POOL COMPLEX**
 1 wing: **HERB & CULINARY GARDEN FOR RESTAURANT CHEFS**
 (*Section 1 below*)
- 30 Floor **RESTAURANT/BANQUET ROOMS**
 (*Section 1 below*)
- 26-29 Floors **RENTAL RESIDENTIAL** (possibility to later be converted to hotel or office)
 (*Section 2 below*)
- 14- 25 Floors **the LUXURY HOTEL** (*Section 3 below*)
 11-13 Floor **RETAIL OFFICE SPACE**
 (*Section 4 below*)
- 7- 10 Floors **PARKING GARAGE** (*this may change depending on City parking decisions*)
 (*Section 5 below*)
- 4-6 Floors **“EYES ON THE WORLD”** – consulates in a new environment, promoting business and tourism to their own citizen/visitors and to American and other country visitors and **TOUR OF THE NATIONS tourist attraction**
 (*Section 6 below*)
- 1-3 Floors **THE WORLD PLAZA - OPEN SPACE/RETAIL**
 (*Section 7 below*)
 WITH DONATED SPACE TO THE WORLD TRADE CENTER ON FLOOR 3



In sections to follow, each of these programmatic uses will be described, from the top floors down to the lowest floors, in order.

Floor plans indicate floor restrooms	700 sq. ft.
2 wings (not counting shared core): 95' long x 70' wide @ 6,650 sq. ft.	13,300 sq. ft.
2 wings (not counting shared core): 85' long x 70' wide @ 5,950 sq. ft.	11,900 sq. ft.
 X 4 wings per floor (= approximate rentable/useable space).....	25,200 sq. ft.
80' x 60' est. common core on each floor (elevators, lobby, etc.)	4,800 sq. ft.
(includes 700 sq. ft. bathrooms shown in core, abandoned on some floors' future usage)	
Gross Estimated Total floor	30,000 sq. ft.

Approximate square footage:

Restaurant floor	30,000 sq. ft.
Revolving lounge/bar	10,000 sq. ft.
26 floors x 30,000 sq. ft. for hotel/commercial	780,000 sq. ft.
3 net lower open air floors (some not full) for retail	85,000 Sq. Ft.
 Estimated GROSS building square footage	905,000 sq. ft.

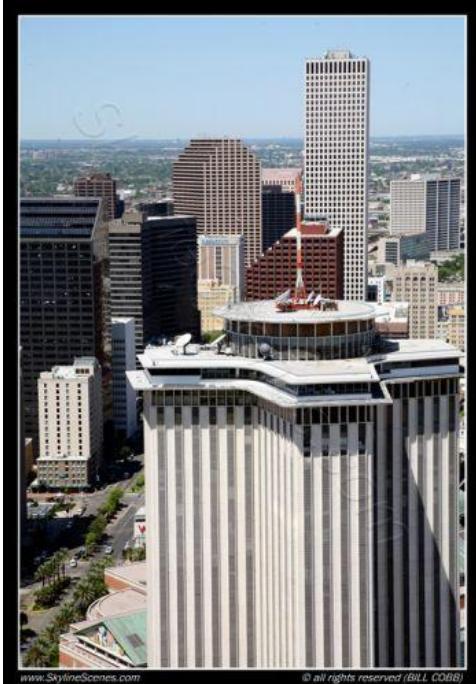
Note: Rentable square footage will be determined when design is complete for the various component uses.

Note: we are aware of the potential problem of the stairways as configured now. There are two stairways in the middle of the building behind the elevators. However, the fire marshal may require stairways in other area(s) to meet fire safety standards. We will work with the fire marshal to satisfy his requirements. This is not as difficult to solve – if it turns out to be a problem after our floor designs are preliminarily designed – because this building has more elevators than needed, and we could use one or more of them to create new stairways. This is an unresolved matter for our design team. It is something we acknowledge and state that we will remedy if required to do so.

33 Floor: BAR / LOUNGES

31 Floor: OUTDOOR LOUNGES/GARDEN

30 Floor: RESTAURANTS/BANQUETS/MEETINGS



The hotel will operate the top inside revolving bar, the open air top deck lounge/bar and the covered rooftop lounge/bar overlooking the river, in conjunction with the hotel. The hotel will also operate the public dining rooms and banquet rooms, and private dining rooms and banquet rooms located on the full floor below the restaurant. The developer will work with the World Trade Center to incorporate their Plimsol Club as a part of the restaurant hospitality area.

All these ideas will be improved upon by our interior and exterior architects. The top round, rotating section will be a lounge/bar. The enclosed floor just below, in four wing extensions, will be fine dining, private dining, and banquet rooms. The rotating bar, and the two round mechanical stories below it will be glass and mirrors, but above it the colors will change as inspired. It will be a marketing magnet, as well as the singular reference for the city, its new logo, its calling card.





One proposed concept for the interior glass entrance to the restaurant, with changing seasonal colors

In the old Windows of the World restaurant and club atop the World Trade Center New York (pre-9/11), the club entrance was a glass wonderland (reminiscent of Superman's crystal northern retreat). It was incredible to see. That is an idea worth repeating.



ROOF

One rooftop wing will be a **covered lounge/bar**, impervious to the elements, and of a special nature (raw bar, entertainer, special events, etc.). This is most probably the wind facing the river, so as not to be obvious from Canal Street.

A second rooftop wing will be an **herb and vegetable garden for the 30th floor restaurant chefs'** use. This will most probably be the wing closest to Canal Street, so as to be unobservable from below.

A third wing will be for an **outdoor gathering area for special events**, protected by a high glass surrounding for safety and for wind protection.

The fourth wing will be for a **lush, jungle-like complex of outdoor pools and a lazy river** for use by the hotel guests, the residents of the rental units in the building, and by others who might purchase a membership. The roof will open and close according to the weather. It too will be protected by a high glass surrounding for safety and for wind protection.

Section 2

26-29 Floors: RESIDENTIAL RENTALS

The hotel will manage the luxury rental units on site, offering for tenants' use the same restaurant, pool and other facilities as the hotel. There is a need for luxury residential rentals. There are two all-new hospitals / medical centers / research centers being built now in New Orleans, on a total of approximately 60 acres. They should have at least 8,000 new good-paying (\$100,000 or above) jobs, and there will be a need for good housing, especially good rentals. That will tie right in to our use.

These four floors will have 42 one bedroom, one bath units. There will be 46 two bedroom, two bath units.

Entrance to the residential units will be from Convention Center Boulevard, the side toward the Hilton, with a private motor court and entranceway. This entrance will be the quiet entryway for the hotel, the residential units and the office buildings, and will be completely separate from the tourist attractions of the World Plaza and the Eyes on the World nations' tour.

Section 3

14-25 Floors: THE LUXURY HOTEL/RESORT

All the amenities expected of a hotel of this class will be present, including a high-end spa, lap swimming pool, outdoor garden pool area, etc. We present photos from the hotels with which we are in final discussions, one of which will be the manager of the luxury hotel. Our luxury hotel/resort at the New Orleans World Trade Center building will be of like exactitude and magnificence as the best residential units in the French Quarter of Central Business District.

It should be noted that we have been in direct talks with five major, well-known luxury hotels, which we are discerning which would be the best fit here. We have not asked any hotel brand to reveal themselves prior to our winning the bid, because that would put brand names of this caliber in awkward positions. They have a different disposition on putting themselves out to the public until all the unresolved factors (such as who will win a bid) are resolved. We can say this categorically: our hotel will be a luxury hotel, and it will be announced upon negotiations with the city regarding specifics of this part of our proposal have been resolved and then cleared with those we are considering. It will be a hotel not presently in the city.

Section 4

Floors 11-15: LEASED OFFICE SPACE Partial Floor 3: DONATED OFFICE SPACE: WORLD TRADE CENTER NEW ORLEANS



LEASED OFFICE SPACE

Four floors are dedicated to Class A leased office space. At approximately 25,200 sq. ft. per floor, this will be 100,800 sq. ft. of office space.

DONATED OFFICE SPACE

The developer is offering approximately 3,000 square feet of office space, free, to the World Trade Center New Orleans. WTCNO makes a significant contribution to the quality of life in New Orleans, creates jobs for its citizens, and contributes significantly to the city's prestige and livability. This offer is one we make willingly and with a sense that it will contribute to a greater New Orleans because of the significant work this organization makes to the city and the region. We wish it to be an integral part of the re-development of this site.

We are delighted that the World Trade Center New Orleans has expressed an interest in returning to

this building so closely identified with them for four decades. In New Orleans, no matter what happens here, this will always be “the World Trade Center building.” We have spoken with their executives and believe that when their lease expires, they will work with us to return here (see letter in the Attachments below). We will welcome them with open arms and create an environment for them that will be heads and shoulders above what they might expect. Moreover, we anticipate being able to charge them (and the other non-profit we will invite to this office space) NOTHING for their leases. This is part of our offer to the city and to NOBC.

With the return of the World Trade Center New Orleans to this, their original building, the building will once again be called **The World Trade Center**. **Flags of all nations exhibiting with offices here will be flown outside**, all day and all night long and lit at night. The private main entrance **lobby of the building may have a floor-model relief map of the world**, three-dimensional, actually down in the floor, showing mountains and plains, oceans and valleys. The depths of the relief map will be sunk into the floor and covered with a polyurethane surface, so that the floor is smooth, but the visitors are gazing down (and walking on) a 3-D map of the world.

Section 5

Floors 7-10: PARKING GARAGE (option)

The option of part of the parking garage being inside the 33 story building has been discussed elsewhere in this proposal. It would be our preference to not have to place any parking inside this building, and we will work for some other parking option(s). But it remains an option if all else is unsatisfactory, and so is necessarily put into these preliminary proposals to the city, until the parking issue is resolved.

Floors 4-6: “EYES ON THE WORLD” Business Development and Tourist Attraction

“EYES ON THE WORLD”: A LEAP FORWARD FOR CONSULATES

Before 9/11, before Katrina, and before the Great Recession, foreign consulates were already beginning to close down their consulates in New Orleans, largely situated in the World Trade Center building, as the building was being allowed to deteriorate. Because New Orleans is in a resurgence, and is once again a magnet for visitors, both business and pleasure, many embassies are interested in having their consulates again at this site. The developer has taken an anecdotal sample survey of embassies in Washington, DC, asking how many were interested in this consulate possibility in New Orleans. Five out of seven were.

Only after we secure the contract with the city will we be able to pursue this further. Embassies will not take the time to talk about a possible opportunity of this sort, only a real one. The Managing Member of the James H. Burch LLC was the founding chairman of the World Trade Center Washington, DC, he lives in metropolitan Washington, DC, and he is familiar with dealing with embassies and world trade organizations, and he feels confident this is an avenue that would prove out because the desire on the part of embassies to be involved in this proposal is real.

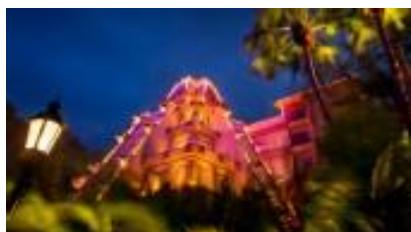
Therefore, we will offer regional shared space for “consulate desks” of all the nations from around the world. These consulate desks would be surrounding a large comfortable reception area for the visitors of the countries in each pod and the Americans who might need to visit a consulate for a visa. Each desk could be manned by a single person, with a file of information, Internet and printer for the consulate official familiar with his/her home country, to serve business and tourism needs. Because the World Trade Center tower is four wings, each wing would house various regions, e.g., 1) Eastern Europe, 2) Western Europe, 3) Mediterranean, 4) North Africa, 5) West Africa, 6) East Africa, 7) Near East, 8) Far East, 9) South Pacific, 10) Central America, 11) South America, and 12) North America.

The old way of doing consulate work was anachronistic and not cost-effective, to say nothing of its business face being unattractive. In our plan, each world geographic region (as per above) would have one 4,500 sq. ft. wing of a floor. In that wing, the floor plan would be completely open with a lounge area in the center or offset sometimes. On the ceiling over the central lounge area, or perhaps on the floor, would be a backlit glass map of that region. 10 to 20 countries per wing area would each have a

display area with interactive devices for both their visiting fellow countrymen and for others who want visas, information on products sold in those countries, opportunities for investment in those countries, travel information, etc. This interactive space could run by itself, but would also be designed to have a consulate officer on duty, or perhaps an intern from the exhibiting country. In this way, the consulate footprint and staffing requirement would be small, and the attraction to that country's offerings great.

Having consulates also enables the legitimate use of country flags, outside on the World Plaza, of those countries with consulates at the World Trade Center. This will add an air of festivity and allure.

EYES ON THE WORLD: A NEW TOURIST ATTRACTION FOR NEW ORLEANS

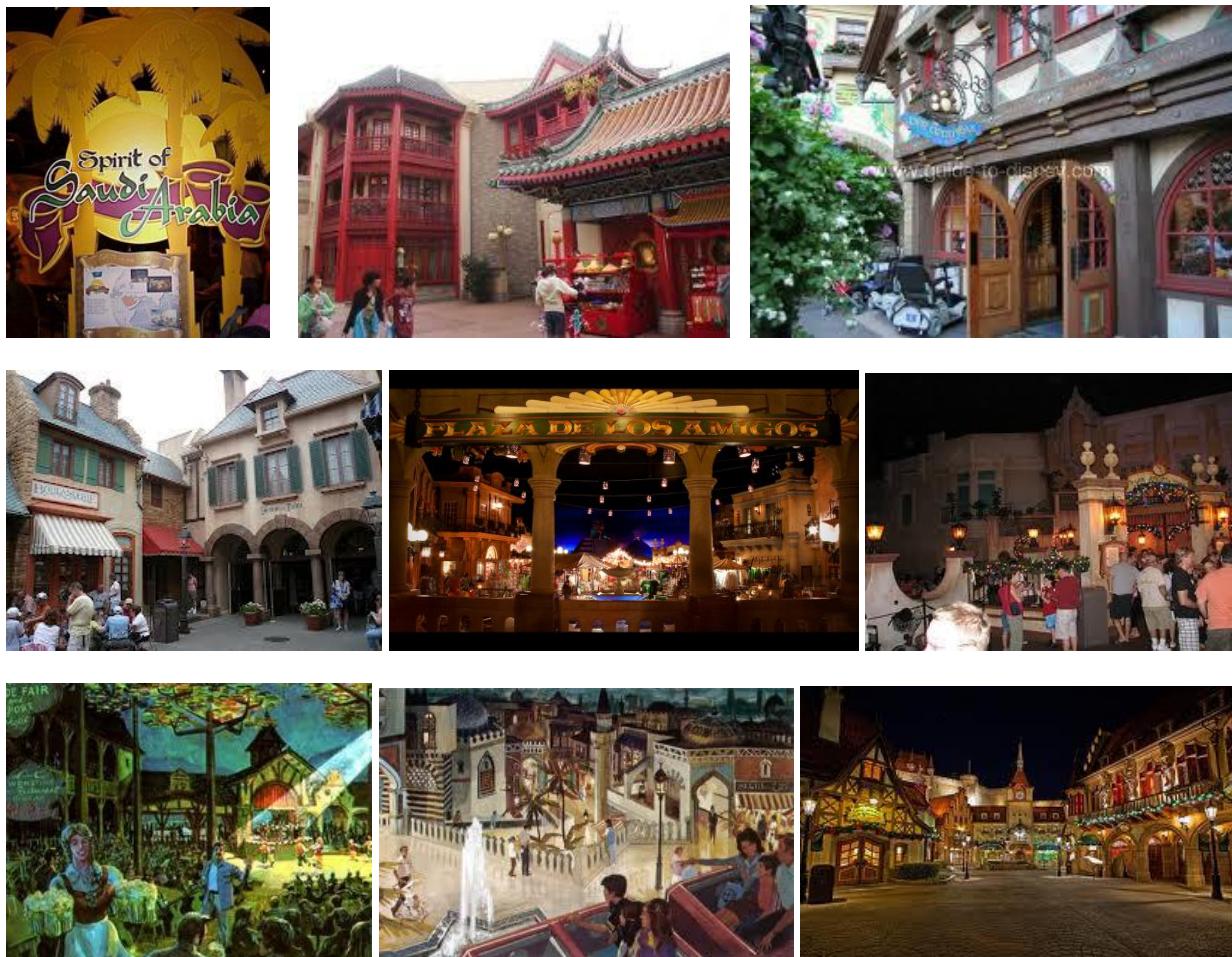


In addition to being the place of business and tourism as described above, there is another key reason that embassies of countries from around the world will want to create their own interactive consulate at Eyes on the World at the World Trade Center New Orleans building: hundreds upon hundreds of thousands of relatively affluent (i.e., travelers) will pass by their national displays.

Eyes on the World will become a tourist attraction itself. Each country will have its own unique architecture and national entertainment shows ...

(e.g., movies, displays, etc.) either on a constant showing, or on a rotating basis with other area countries, or both. A modest entrance **Fee will be charged** to the visiting public to see these exhibitions. The exception would be that country's visitors or other business travelers or tourism prospects who have business to do with the consulate, and would be afforded a private entrance without payment. In this way, this segment of the World Trade Center would provide **yet another tourism attraction** to New Orleans which is not now present, and would further tourism in the city. Moreover, consulates will be offered a discounted lease rate to lease space and provide their national presentation. Larry Boudreax, COO of the World Trade Center New Orleans, has suggested that foreign students studying in New Orleans would be interested in serving as interns at their respective country's display, thus enhancing their resumes for later work, while contributing to the international flair at the Eyes on the World.

New Orleans is a natural for international trade, because of its geographic location, the volume of trade that comes by the Mississippi River and by air, and because of the already-large number of tourists who come to the city for other reasons. These tourists will be introduced to the products of other nations. They will see how people in other nations live. They will learn and enrich their understanding of the world which we all share. Additionally, a whole NEW SET OF TOURISTS will be drawn to New Orleans, people who do not consider coming to New Orleans. Either specifically for this Eyes on the World attraction, or as the final motivator that brings them to New Orleans among other reasons, Eyes on the World will bring MORE tourists to New Orleans.



Floors 1-3: THE WORLD PLAZA PLAZA LEVEL/OPEN SPACE RETAIL

THE WORLD PLAZA WILL BE A PLACE OF *CELEBRATION* WITH RETAIL AND A MINI MARDI GRAS PARTY EACH EVENING JOINING TO AND ENLIVENING THE SPANISH PLAZA

The area of Canal Street as it reaches the Mississippi River has a rich and diverse place in the city as profound to New Orleans as Wall Street or Central Park is to New York City, or Buckingham Palace to London. This future cultural place of **CELEBRATION** along the bustling Mississippi River waterfront is situated at the gateway to the center of the United States. The immediate neighborhood is the fulcrum of attractions, shops and restaurants. Diverse year-round events will be easily accessible by streetcar, and by the easy walking distance to so much of New Orleans' core. **THIS NEW WORLD PLAZA WILL NOT BE IN COMPETITION TO ANY OTHER RETAIL NEARBY; IT WILL BE UNIQUE, ONE OF A KIND.** Concerts, street performers, boating, bike rentals, summer and winter celebrations will abound, because the spot is a natural for them. The new World Trade Center and new World Plaza will offer visitors and shoppers an unparalleled New Orleans experience that is destined to be compelling to tourists and residents alike for the rest of New Orleans' history to be made.

A sense of the district's gritty and boisterous past as New Orleans' workplace that touched the world also lingers in some of the area's oldest commercial buildings, and just the feel of this place along the river. Nearby brick and stone structures also have historic ties to the rest of the city. The French Quarter/Central Business District divide has long been a laboratory in which historic preservation has taken place alongside development. Spanish Plaza, Riverwalk, Audubon Aquarium, IMAX, One Canal Place, and Harrah's Casino, among others, blend with mixed-use preservation and development. Each project has explored new designs while drawing on the visual richness of this one of a kind city in America.



The visual architecture, together with the initial and then the saturated experience of the building and the World Plaza will be of New Orleans. It will be an enhancement of the "New Orleans feel."

ANCHORS

Because the retail component of World Plaza is not to conflict with the retail of Riverwalk, or to be anything like the Riverwalk retail, our businesses will be carefully chosen. This is the uniqueness of the Plaza retail: **FABULOUS ANCHORS BUTRESSED BY UNIQUE STORES.** The anchors will be the draw, and the stores will fill in the draw. Therefore, *our anchors will be big entertainment draws:*

1. **A Stage/Broadcast Kitchen, with room for an audience.** Here broadcasts of cooking events will be staged – perhaps on the Food Network or some other TV network – by “**the Famous Chefs of New Orleans.**” This is a great way to strengthen and extol the great culinary art of New Orleans, and it can offer culinary certificates to participants. It will attract yet more tourism to New Orleans, and attract many tourists to the plaza. It will be built with glass walls so that visitors walking outside on the plaza can see in and watch the cooking classes, and even hear them by audio broadcast outside on the nearby sidewalks. Not only is this to be an attraction for cooking lovers from around the country and around the world to come to New Orleans to get certificates of completion of one day, one week or two week culinary classes, but it is also intended to attract tourists who will come to see something so unique going on. This will especially be true if we can get some of these classes broadcast over a network, the Food Network or some other network’s new New Orleans cooking classes.

2. **Three Night Clubs** will have music and entertainment nightly, and they will have **windows that open up, so that passers-by can hear and appreciate the music, without even coming inside.** The night clubs will be designed in such a way that passing by will even have a feel of participation. This will in no way subtract from the people who will wish to come inside, sit down, order something and stay awhile. In fact, it will enhance that. But these night clubs will be purposely designed, within the first three floors of the building itself, so that they draw visitors to them, making it easy to move on to the Spanish Plaza and the Mississippi River waterfront. The nightclubs themselves, will not only be entertainment venues INSIDE, but they will float their music and their atmosphere throughout the expanded plaza life. Depending on demand, live music may be added to one or the other of the clubs by day as well. One of these night clubs will be **Danny O’Flaherty’s Folk World**, featuring entertainer Danny O’Flaherty, who won his way into the hearts of the city and its citizens for nearly two decades and now returns to great welcome (information on a following page). Also, the historical video at a club patio, as described earlier.

3. We are going to explore with the owner (whichever entity that might be) of the **Fountain at the Spanish Plaza** the possibility of adding music and computerized water sprays in place of steady water sprays, to create **“Dancing Fountains” shows every hour.** The economic feasibility of this will be tested to see if it is possible, and if it is we will ask the city to assist us to get permission for us to add that to the existing fountain works. It may be something done by others or in concert with us.

4. The video which shows the history of the city of New Orleans will be projected both ways, so that not only will it attract people coming down Canal Street and from Harrah's Casino, but it will also show on the other side of that glass monument to be built, toward the river side, with narration and sound for visitors to come and see. What local or tourist would not want to come to see this?

5. The Eyes on the World attraction that will have architecturally enhanced replications of countries from all over the world, together with those countries consulate representation for business and tourism enhancement, will feature presentations from displaying countries. This will be within four floors within the main building, but its entrance will be at the World Plaza, boldly so as to be enticing.



COMPLIMENTARY SMALL RETAIL STORES

Retail stores and restaurants will occupy sections of the three lower stories of the World Trade Center which will be opened up to take total advantage of the World Plaza's potential and promise. Musical venues on the inside of the third floor of the WTC will look out on the outdoor stage built at the edge of the WTC building overlooking the Spanish Plaza and the Mississippi River. These three floors will be joined in a creative design using stairs and escalators and handicapped ramps, so that the overall effect will be of a pleasant, family-oriented party going on all the time. Around every corner will be new findings, and the lure of the Plaza will be great.



The new retail, small restaurants and three or four entertainment clubs (e.g., Danny O'Flaherty's Folk World) will occupy the 100,000 + sq. ft. / 75,000 or so sq. ft. the building's three floors and the additional outdoor areas between the present Spanish Plaza and Convention Center Boulevard and the termination of Canal Street. The developer does not intend to have many, if any, national franchised stores in this retail. Rather, this space – designed to lure and entertain tourists – will provide the “real” New Orleans experience in its product and food offerings. LOCAL merchants will be here. For example, the Café du Monde, originally in the French Quarter, now has nine locations. We will ask them to add a tenth at the Spanish Plaza new retail park. This reinvigorated Spanish Plaza will become as well known for its exciting cultural offerings as it once was for its hard-driving riverfront commerce.

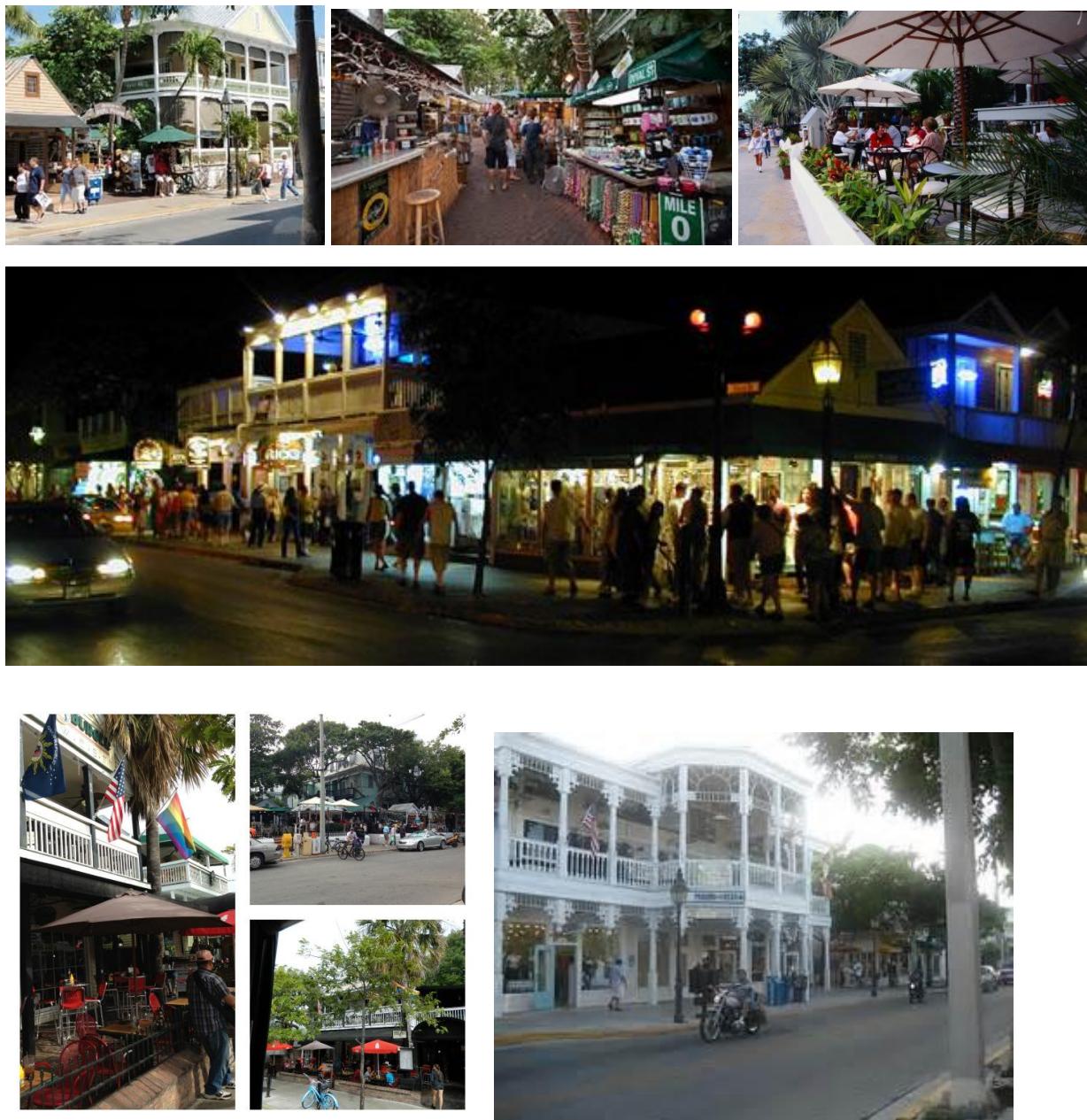
Types of small shop retail would include both light dining and eclectic shops such as:

- DINING: pretzels; ice cream, yogurt and gelato; cupcakes; coffee houses (hopefully, another Café du Monde); candy shops; a raw bar; a rib house; buffalo wings specialties
- SHOPPING: unusual accessories; jewelry boutiques; photographic remembrances of New Orleans and southern Louisiana; olive oil tasting

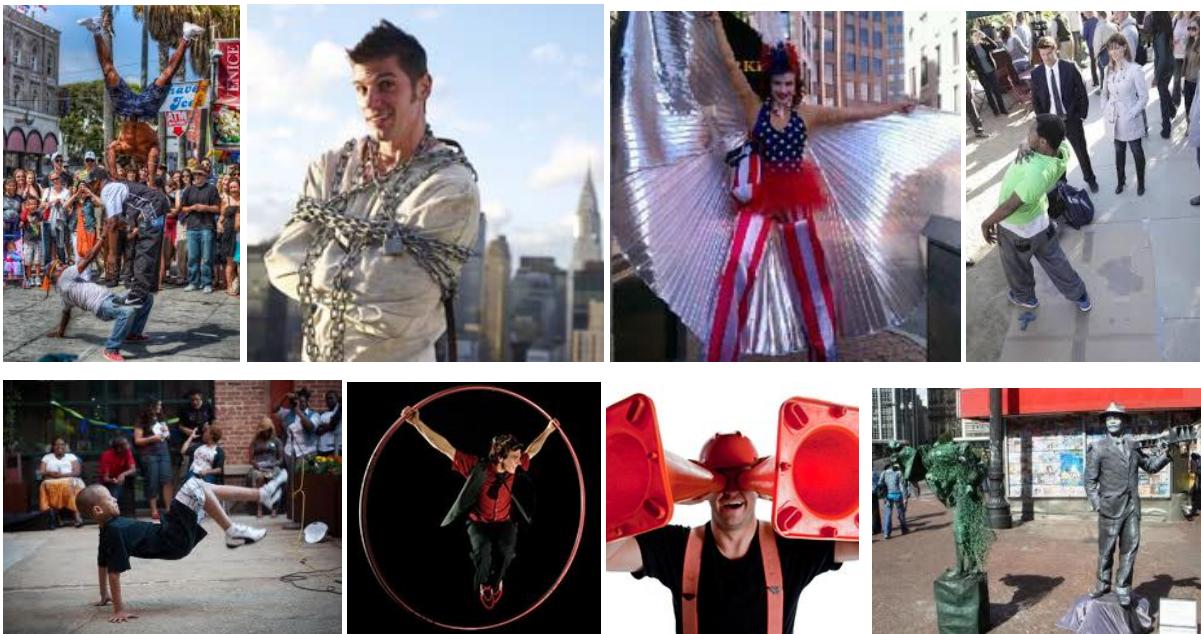
shop; pet specialties; winery tastings; healthy wearing products; music stores; hats; local Louisiana arts and crafts

The year-round property will offer open spaces, indoor and out, for public and private events. It will be ideal for one-day to yearlong events, entertainment, exhibitions, high-profile product launches, festivals, and as a setting for TV and film shoots. **The World Plaza will look like New Orleans street scenes.**

In the ever-changing, growing and improving New Orleans landscape, The World Trade Center and the World Plaza will stand out as a national and community anchor providing entertainment, retail and dining for the citizens of New Orleans and for visitors to alike. The World Trade Center and the World Plaza will be home for up-and-coming presenters of music, dance, and theater.



ARTISTS AND ENTERTAINERS



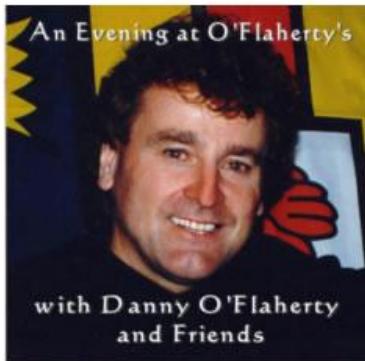
We envision an array of unusual **ENTERTAINERS** that the public will love because of their diversity and unusualness. Artists and entertainers, all of whom will be required to get permits from the city as they now do in other parts of the city, will perform in areas now comprising the Spanish Plaza. Perhaps they can use part of the present planter boxes as 8 stages. Design teams will seek a way to use the giant planter boxes as landscaped stages for performers. The Spanish Plaza will be decorated with landscaping and garden coverings, not only bringing necessary shade to a large portion of the area, but also providing wide walkways where artists can both display their talent and have a comfortable place to spend their exhibiting days. We would ask the city to require that no other food sales or retail sales – other than the restaurants presently there – would be allowed, so that sufficient room can be maintained for enough artists and entertainers to attract enough visitors all the way to the river. And also so that our investment in the part of the plaza that does not return a profit can be covered by the part that does, and not be dissipated by others bringing retail to the Spanish Plaza at our doorstep, and feeding off our investments without contributing to the costs we will be laying out for the public attractions.





The developer's plan is that ARTISTS, who are now so tightly squeezed in Jackson Square that they have to fight for space, can expand to *Spanish Plaza*, on the public ground. The process for permits through the city, as above, would be as it is now in Jackson Square, and would be limited to the same kind of artists who have local art and only art they created. This is immensely popular among tourists and locals alike, and its expansion is highly desirable. We propose that the artists be enabled to sell their products on Spanish Plaza, but that the Plaza be improved with trellised flowers to provide shade and beauty, with pathways wide enough to show artwork and to have people pass by easily. However, since Spanish Plaza itself is not a part of this RFP, and because it is under the lease of Riverwalk, our involvement in this is yet to be negotiated under the purview of the city.





"Danny O'Flaherty's Folk World"

The sixteen years that **O'Flaherty's Irish Channel Centre and Pub** was open in the French Quarter were filled with music, laughter, and wonderful memories, and is woven into the fabric of the city. Along came Katrina and washed O'Flaherty's Irish Channel Centre and Pub away. Now Danny's is coming back to New Orleans as: **Danny O'Flaherty's Folk World**. Internationally acclaimed singer, musician, storyteller and bard, Danny O'Flaherty's infectious performances captivate audiences throughout the world. Through his songs and ballads he brings Celtic heritage, traditions and folklore to life performing in special concerts around the world as well as leading musical and cultural tours to Ireland. Danny was featured in the book "Irish Face in America" and was voted one of the 2006 top 100 Irish Americans by Irish American Magazine. Danny's success as an entertainer is driven by his dedication to preserving and passing on his Celtic heritage. As the last of a generation reared in the isolation of a pure Gaelic culture, Danny's youth recalled the simple traditions kept alive on the rugged and desolate islands. His first language is Gaelic, and his first love - the ancient music played and sung around the peat fires in the evenings. Whether singing the timeless songs of Galway fishermen or performing his own contemporary ballads, this Connemara man keeps a unique heritage alive. Danny has traveled far from his boyhood home in the farthest reach of the Irish west, to the steps of the United States Capitol where he performed before a crowd of a half a million on Solidarity Day. There have been numerous other stops along the way - each a momentous occasion: a tour of Israel culminating in a private command performance with then President Herzog; a performance at the National Cathedral for Pope John Paul II's visit to the U.S.; featured performer for President Ronald Reagan's Inaugural Ball; the opening concert for the Pan Celtic Festival in Ireland; an invitation only concert for alumnae of the University of Notre Dame, and a headliner for the Tulsa Philharmonic and The National Theatre in Washington, D.C. - just to list a few. A talented musician, Danny is equally adept with six and twelve string guitar, button accordion, tin whistle, and harmonica. From songs of the sea and glen to aching calls for tolerance and peace, Danny O'Flaherty's appeal is universal and timeless.

Danny and our development company intend to inaugurate an annual New Orleans Folk Music Festival, where the legends of folk music introduce each year a new protégé, passing the mantle to new musicians, introducing younger generations to national/international folk music.

Importance of Foot Traffic and the Streetcars

New Orleans is a walkers' paradise, with high "walker's score" of 93. Our site is at the center of it all.

It is also important to emphasize the great importance of the streetcars, and the wonderful fact that lines converge at the World Trade Center. Getting around New Orleans by streetcar is a great way to see the city. There are three different lines: St. Charles, Canal Street, and the Riverfront, each of which originates downtown but takes passengers to different parts of the city. Streetcars in New Orleans offer \$1.25 and can be paid with exact change when you board. 1, 3, and 31-day unlimited ride Jazzy Passes are also available for \$3, \$9 and \$55 respectively. Passes can be purchased near our World Trade Center site, at Convention Center Boulevard and Poydras Street. We will inquire whether it might be possible to have another location to purchase passes right at the WTC Spanish Plaza retail complex.

The **Canal Street Line** is the most complex and leads to the most places. The **Canal Street /Cemeteries** runs from the World Trade Center all the way up to City Park Avenue. The **Canal Street / City Park/Museum** runs from the World Trade Center up Canal Street past Tulane University, then up to Carrollton Avenue, where it turns right and goes to the great city park complex. It also runs past the French Quarter riverfront. The **Loyola-UPT** also runs up Canal Street and along the French Quarter riverfront, and, when it goes up Canal Street, it turns left at Loyola Avenue, passes only a long block from the Superdome, on its way to the UPT streetcar bay.

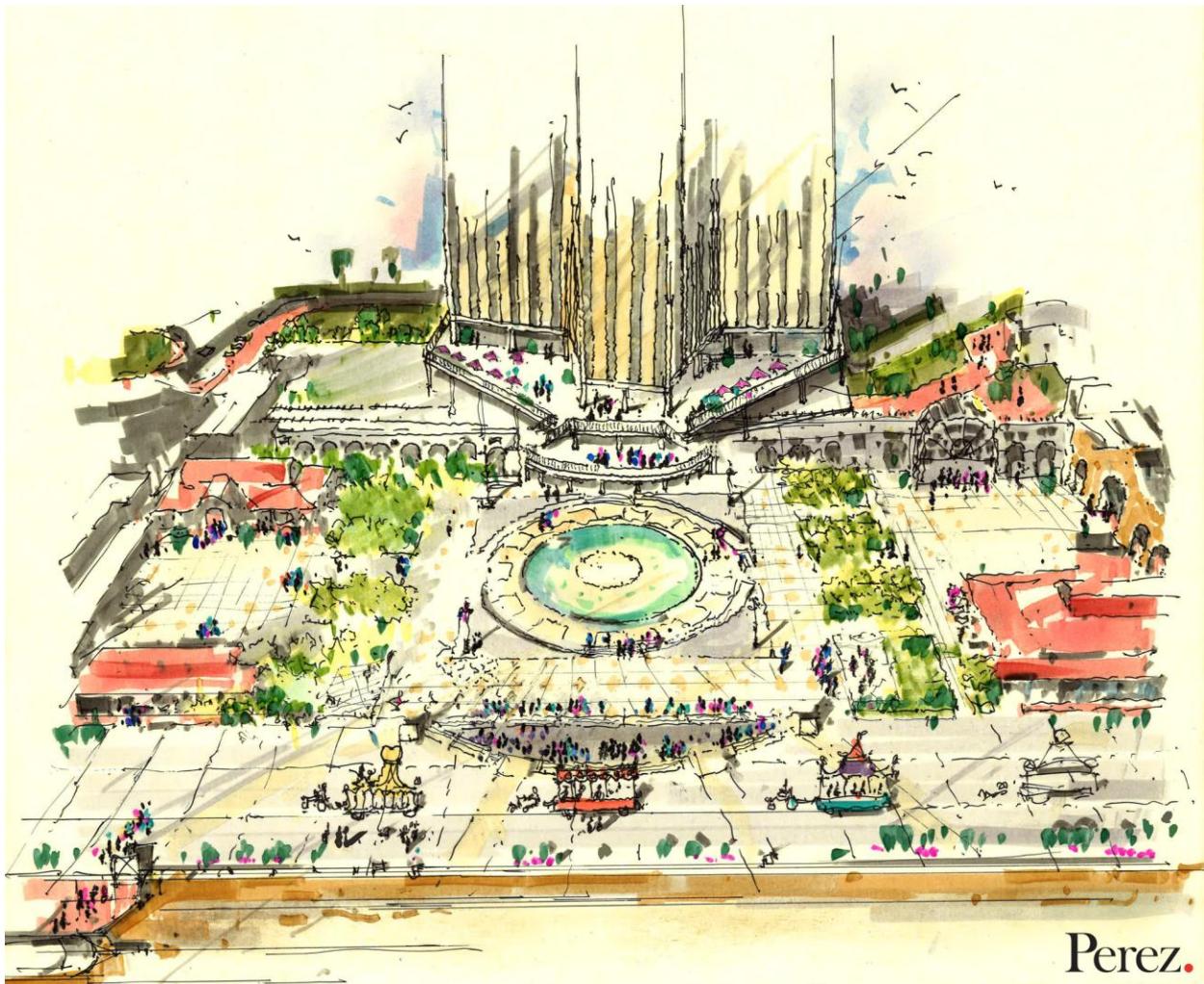
The **Riverfront Line** runs from near Esplanade Avenue, past the French Quarter and Waldenberg Park, all the way down to the Pontchartrain Expressway, with the World Trade Center near the middle of the line.

The **St. Charles Line** can be picked up on Canal Street near Bourbon Street and runs along St. Charles Avenue all the way to Jefferson Avenue.

All the lines (except the St. Charles line, which is accessed off one of the Canal Street lines) intersect at the World Trade Center building. This is the hub of the streetcar lines. Tourists love the streetcar system, which is nostalgic and unique among American cities. **The fact that everything converges at the World Trade Center means that this is the central fulcrum of tourism in New Orleans. It is only fitting that this site should be put to its greatest and best use.**



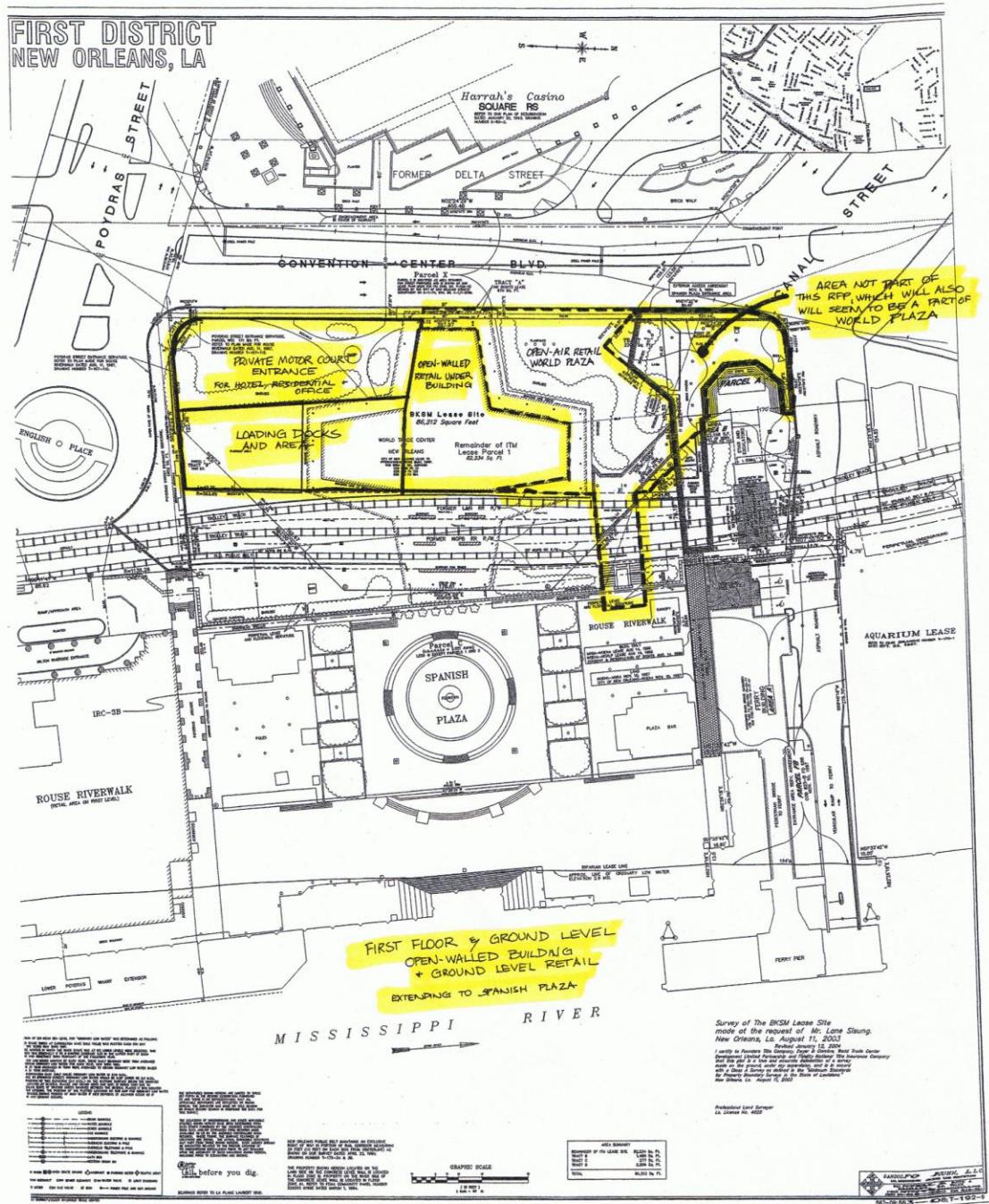
- Sample Elevation



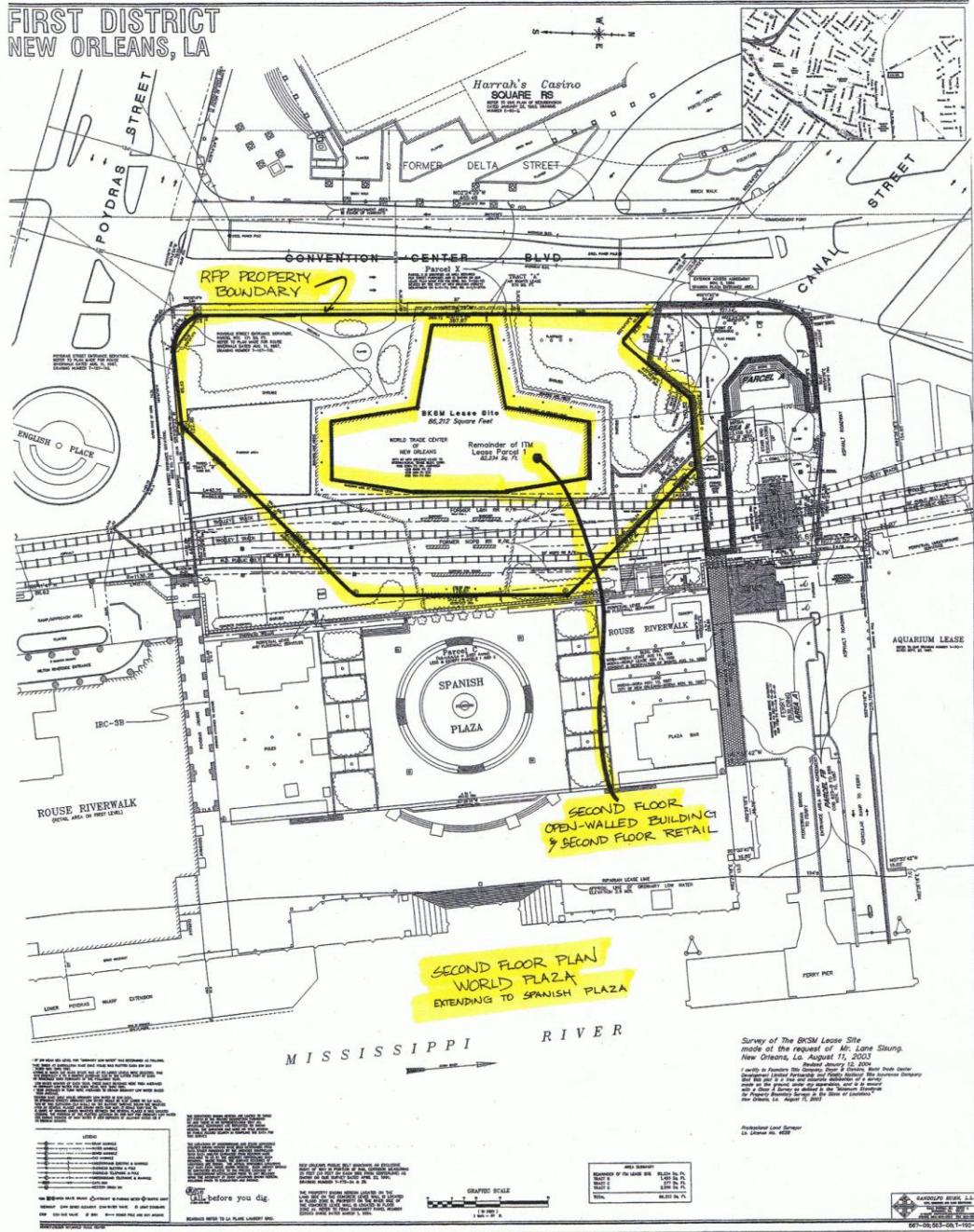
This preliminary sketch by Perez gives an indication of the festiveness and celebratory character of how we want to tie Spanish Plaza to the World Plaza. Design is yet to be done, and this is just to present the link between the World Trade Center site and the waterfront.

- **Summary of Development Concept**

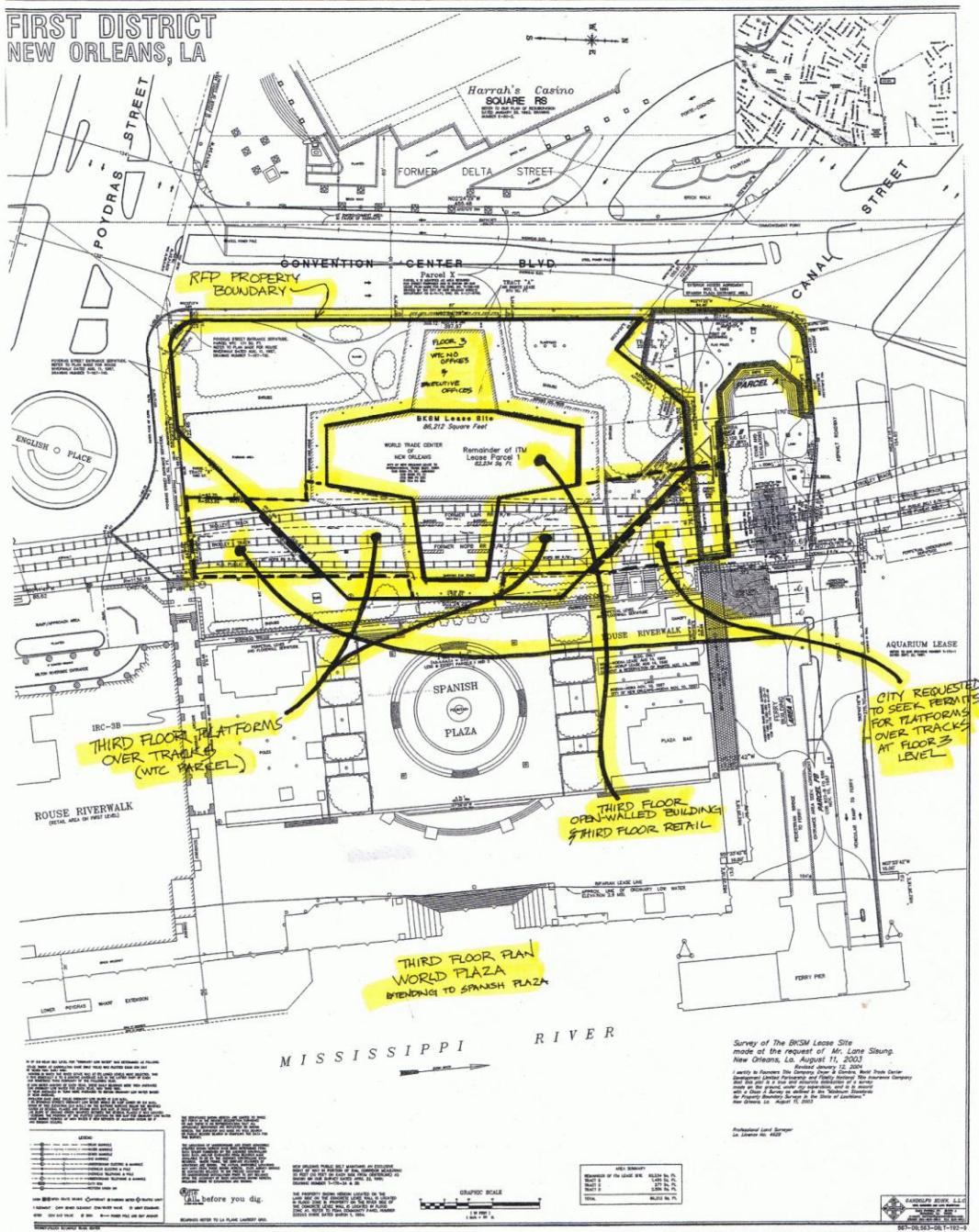
On the following four pages are plats showing the boundaries of the RFP World Trade Center site and the adjacent ferry terminal site, plus three floors of World Plaza usage – indoors and outdoors. These are attached here for convenience. The RFP calls for them to be submitted at 1" = 50" scale. Those required plats are enclosed in an attached envelope at 1" = 50' scale, affixed to the inside of the back cover of this proposal.

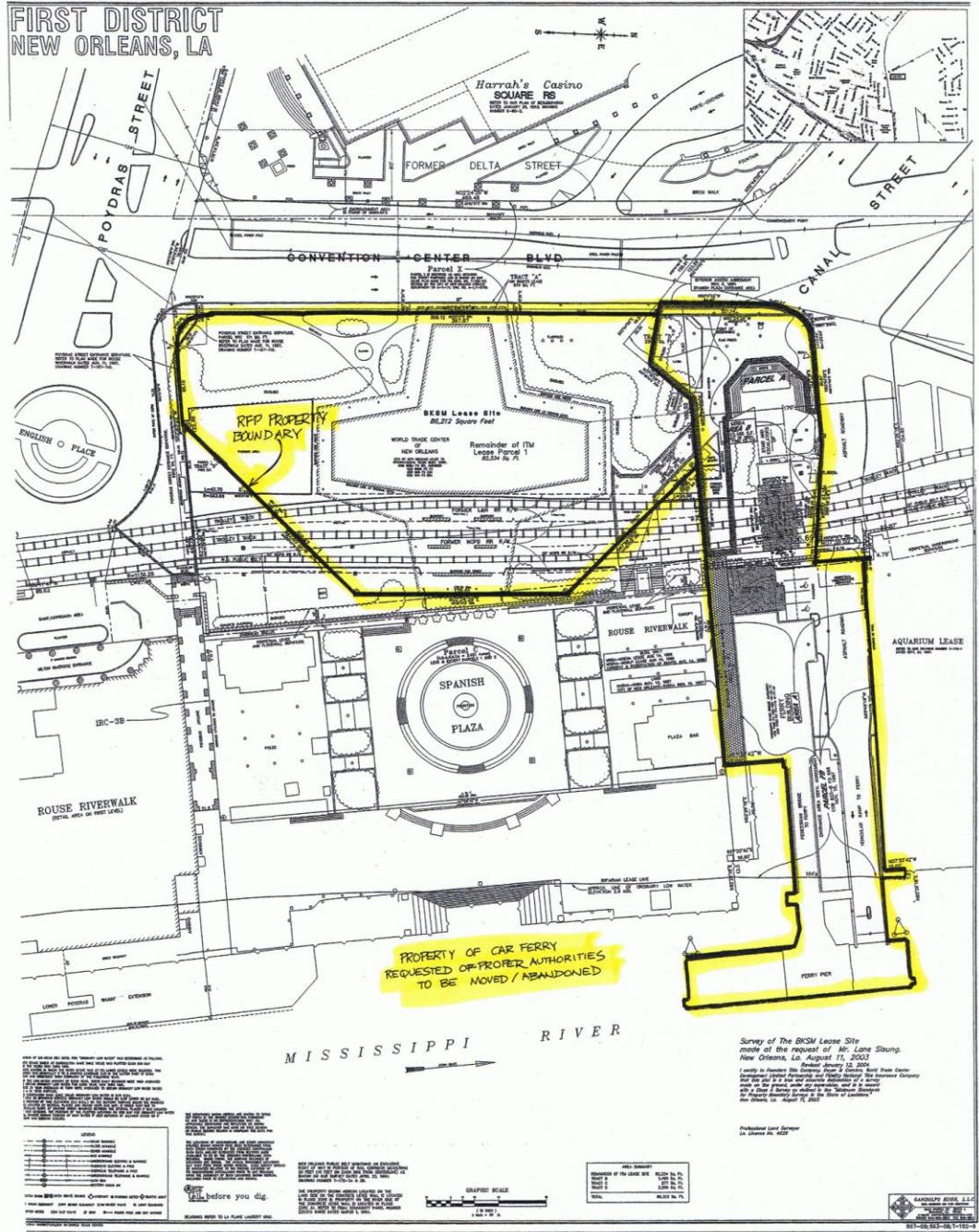


**FIRST DISTRICT
NEW ORLEANS, LA**



**FIRST DISTRICT
NEW ORLEANS, LA**





8. proposed maintenance program for all space and facilities to be accessible to the public

Without a doubt, all the elements of our proposal – the hotel, the residential, the offices, the Eyes on the World tourism attraction, and the World Plaza – are top-tier luxury entities. All maintenance in and around our development will be handled by a professional management staff, and/or by contracted companies dedicated to landscape maintenance or building cleaning. All the elements of this development will be meticulously maintained.

Employment Projections

(Please note: Not all the numbers in all of the charts used in the financial and analytical calculations in this proposal are interchangeable, because in each case different assumptions may be required or different components make up the total from chart to chart.)

1. Pre-Construction and Construction

The following charts on job generation are very conservative estimates:

Employment and Earnings Created During Construction

<u>Category</u>	<u>Earnings</u>	<u>Jobs</u>
Hard Construction Costs	\$75,900,000	2,265
Architecture & Engineering	\$8,810,000	216
Other Development Costs	<u>\$44,970,000</u>	<u>1,105</u>
Total	\$129,670,000	3,586

2. Permanent and Part-Time Positions

Employment and Earnings

Average Stabilized Year (Yr. 5 of Operations and Beyond)

<u>Category</u>	<u>Earnings</u>	<u>Jobs</u>
Hotel (3 jobs x 550 rooms)	\$44,400,000	1,565
Hotel Restaurant	\$6,800,000	165
Hotel Bars	\$4,500,000	94
Residential	\$2,500,000	60
Parking	\$1,000,000	60
World Plaza Retail	\$2,500,000	458
Eyes On World Visitors	\$4,500,000	65
Office leases	\$3,300,000	<u>32</u>
Building Management	<u>\$2,100,000</u>	46
Total	\$71,700,000	3,632

4. At Least Thirty-five Percent (35%) DBE Participation

Our local design firm, Perez, is a woman-owned company.

Disadvantaged Business Enterprises

There are qualified lists of Disadvantaged Business Enterprises accepted in the city, by city agencies (by the airport, the Orleans Levee District, the Regional Transit Authority and the state Dept. of Transportation and Development. We have all these lists, and will go first to them as we need firms to contract with, and so that we might meet or exceed – on every level – the 35% DBE participations level. A firm is certifiable under this program if it is at least 51% owned and controlled by individuals who are socially and economically disadvantaged and where the firm is not dominant in its industry. There are *no presumptions of disadvantaged status for any racial, ethnic group or gender*. From those three lists, the types of Businesses which might be utilized for DBE businesses by the World Trade Center businesses and the developer, and where there are certified companies include, but are not limited to:

- 1. Concessions
- 2. Architecture and Engineering
- 3. Construction Contractors
- 4. Limousine service
- 5. Transportation planning
- 6. Lawn maintenance
- 7. Exterminating services
- 8. Drug testing
- 9. Pressure washing and exterior maintenance
- 10. Security and patrol services and surveillance
- 11. Messengers
- 12. Janitorial services
- 13. Parts and supplies
- 14. Facilities support
- 15. Clothing stores for uniforms
- 16. Food service contractors
- 17. Electrical contractors
- 18. Stationery and office supplies
- 19. Vending machines
- 20. Painting
- 21. Safety equipment
- 22. Baked goods
- 23. Trucking and commercial transportation
- 24. Insurance management and agencies
- 25. Steel fabrication for fence and guardrail
- 26. Oil and petroleum products
- 27. Industrial supplies
- 28. Temporary staffing
- 29. Data processing and equipment
- 30. Commercial cleaning
- 31. Environmental remediation
- 32. Accounting
- 33. Employee background checks
- 34. Sign manufacturing
- 35. Public relations and marketing / check out: www.ABC-communications.net
- 36. Computer systems
- 37. Research services
- 38. Training
- 39. Interior design
- 40. Event planning
- 41. Shuttle buses
- 42. Catering
- 43. Legal

Moreover, most of the work in the development/construction phase will be handled by our General Contractor, the McDonnel Group, which has a 100% record for always meeting the expectations of DBE participation in all of their contracts with the city. On the following two pages are the O'Donnell Group DBE guidelines, which will be followed by them in this case as well:

MBE/WBE/DBE PROGRAM

The McDonnel Group has implemented the following policy and procedures. These procedures have been established as a foundation upon which to continually build for the betterment of MBE/WBE/DBE businesses and the construction industry in general.

The McDonnel Group acknowledges that this is an evolutionary process. With time, new practices will be adopted, old practices renewed and a better understanding of the overall program attained. This outline is considered to be a streamlined approach that yields itself to flexibility. It is The McDonnel Group's hope and desire that, through this program, new relationships will be established.

Subcontractors who may not otherwise have the benefit of performing work on associated projects will be given the opportunity to expand. During the course of this program, it is anticipated that small businesses have the opportunity to expand and grow and become more proficient in every area of the trade (i.e. accounting, trade skills, management, people skills, business savvy, etc.) For those who can effectively perform their respective scope of work and render a quality product, it is hoped that long-term relationships are developed.

Pre-Construction Services

The McDonnel Group recognizes that in order to affect the above goal, outreach and good faith efforts are needed to initiate interest, identify recruitment sources and structuring procurement in such a way to allow MBE/WBE/DBE contracting firms the opportunity for involvement. It is our intent to accomplish this via the following methods: community outreach meetings, advertisements, notification to related organizations, project scope forms, time lines and particulars sent to prospective MBE/WBE/DBE by certified mail return receipt requested, follow up by telephone five days after mailing, pre-bid meetings and structuring of bid packages to allow for breakdown of work and comparable scope between similar trades, matching MBE/WBE/DBE's with prospective bidders on large packages where they may not be competitive.

The McDonnel Group will begin by drawing on its existing database of MBE/WBE/DBE subcontractors and suppliers. This database was built over our twelve years of seeking out and working with minority and disadvantaged businesses.

The McDonnel Group will conduct additional outreach through advertisements to trade organizations, special interests group publications and large distribution publications. The McDonnel Group hopes to make the contracting opportunities widely recognizable. It is The McDonnel Group's intent to structure verbiage of this advertisement in such a way to show forth sincerity and responsibility. Subcontractors who respond to said advertisements would be maintained in a database for future contact when their appropriate scope of work is bid.

In addition to advertisements, it is The McDonnel Group's intent to notify various organizations whose purpose is to assist special interest groups targeted for the construction industry. Letters requesting initial interest and member listing will be forwarded to these organizations. Organizations wishing to participate in said project will have their members listed in the contact list for bid solicitation. Furthermore, The McDonnel Group will inform special interest organizations of contracting opportunities by speaking when invited to the organization's meeting.

During the lecture, scopes of work targeted to special interest groups with approximate dollar amounts will be made known.

The McDonnel Group will forward construction drawings and documents to the organization to accommodate bidding convenience.

When a particular scope of work is published for bid solicitation, The McDonnel Group will further accommodate interested bidders via pre-bid meetings. Pre-bid meetings will be conducted if one or all following conditions are met:

- The McDonnel Group deems it to be in the best interest of the subcontractors
- Subcontractor(s) request a meeting
- Complexity of scope of work requires ample clarification

During the meeting, bidders will be given a bid package that clearly defines a scope of work and a method of submitting proposals, availability and access to construction documents.

Bid packages will be structured in a format which is simplified and conducive to identifying scope between various subcontractors. In an attempt to accommodate MBE/WBE/DBE participation, bid bonds will not be requested unless deemed necessary by The McDonnel Group. A bid bond will be requested only when said scope of work meets one or all of the following characteristics: scope is highly technical, work is critical to the project schedule, scope of work is compromised of a high dollar value, or if required by Owner. Once bids are received, it is The McDonnel Group's intent to ensure that all subcontractors bid on comparable scopes of work.

In order to accommodate the aforementioned, it is necessary to define specific scopes of work. For instance, does a drywall contractor pick-up installation of fire caulking, taping, and finishing? A great deal of effort will be expended in analyzing the various proposals for uniformity. If requested by a number of subcontractors or deemed by The McDonnel Group to be a benefit to the project, various scopes of work may be broken down and awarded to two or more subcontractors to accommodate a specific scope of work.

This will be beneficial to both the various subcontractors and The McDonnel Group to limit high dollar exposures where it is not the norm for different subcontractors, limit schedule risk when various subcontractors may not have the crew size to adequately staff the project, and limit liability to the Owner, The McDonnel Group, and the subcontractor. It is The McDonnel Group's intent through the above efforts to identify the lowest bidders who are both qualified and have been responsive during the bidding procedure. Once these firms have been identified, steps toward contract award and negotiations will be initiated.

Contract Award

During the award of subcontract agreements, a number of steps will be taken to ensure that the subcontractors have adequately prepared themselves and understand the work which is to be performed, the time it is to be performed within, and the policies and procedures which are to be followed as deemed necessary via the Owner's contract and The McDonnel Group's corporate policy. The lowest, most qualified subcontractor will be notified and requested to meet with the Project

Manager to discuss particulars associated with the respective scope of work. Unless deemed necessary by The McDonnel Group and/or required by the Owner, bonding will not typically be required. Bonding will be required when one or all of the following pertains to a subcontractors' scope of work:

- High dollar amount
- Highly specialized scope of work
- Unusually long fabrication periods
- Work which necessitates very large crew sizes

Once a contract has been awarded, subcontractors will immediately be notified of project coordination meetings and copied on all correspondences that pertain to their portion of work.

In order to assist MBE/WBE/DBE subcontractors who may not have adequate resources to fulfill their portion of work, The McDonnel Group offers cash flow assistance. Cash flow assistance can be any one or combination of the following:

- The McDonnel Group will allow the subcontractors to assign their subcontract agreements to financial institutions to accommodate lending requirements which affect cash flow distribution
- The McDonnel Group will also offer subcontractors assistance in accounting by monthly payroll draws, joint check arrangements to vendors, etc.

Once a subcontract has been executed on behalf of both The McDonnel Group and subcontractor, The McDonnel Group further strives to accommodate MBE/WBE/DBE subcontractors through the construction process.

Safety Standards

The McDonnel Group will strive to create an environment that is conducive to equality among all subcontractors and employees regardless of age, religion, race, or gender. The McDonnel Group further expects subcontractors to participate in such a work environment and requires an acknowledgment of the same through The McDonnel Group's Equal Opportunity Policy.

During the construction process, The McDonnel Group will strive to meet the employment goals by following up with initial contacts whether initiated by The McDonnel Group or on behalf of the applicant, by requesting lists of minority participants through the local unions and trade organizations and disseminating lists to respective subcontractors. The McDonnel Group will strive to refer minority, woman and disadvantaged businesses to the proper union halls, trade organizations, and subcontractors when The McDonnel Group cannot properly accommodate them.

The McDonnel Group will require all subcontractors to be bound by the same terms and conditions as set forth in the MBE/WBE/DBE subcontracting and hiring plan. Furthermore, all subcontractors are encouraged to comply with the spirit of "Open Access" through all the same phases of their contracting and employment opportunities. Subcontractors will be required to forward a written plan on how they are to obtain and/or strive to meet the goals as set forth in the Subcontracting Plan.

During the construction process, The McDonnel Group will accommodate MBE/WBE/DBE subcontractors via bimonthly labor draws, joint check to major material and/or equipment suppliers, guaranteeing payment when requested by material and/or equipment suppliers, and by providing

accounting assistance.

An inclusive MBE/WBE/DBE program is not only critical for this project, but for every project The McDonnel Group builds. Our proactive efforts match our own commitment and we continually strive for improvement.

5. Orleans Parish/Local Business Participation

The developer is well aware of the desire to fill positions and openings for both personnel and companies under contract for temporary or permanent work at the World Trade Center project from Orleans Parish. We are in complete agreement that local business participation is of paramount importance, and we will use every means to secure personnel and companies to work on this project from Orleans Paris and the city of New Orleans. We have a list of companies, both DBE and local to the parish and city, which we will contact as soon as we know we are the contract holder and have a grip on the scope of work to be done by that industry or capability.

By the very nature of the construction and permanent jobs that will be needed at the re-developed World Trade Center building, primarily local people will fill them. Most positions will obviously be on site, and that means that they will be filled by people who live nearby – in New Orleans city and in Orleans Parish.

Qualifications and Performance History of the Respondent

1. All Owners of the Development Entities

James H. Burch LLC



James H. Burch is experienced in developments of this size, and **James H. Burch LLC was specifically established for this New Orleans development**. Each of his former projects have had their own named companies. Jim's forte is to create the ultimate, economically-feasible, shining-star of a major development. His vision has given remarkable, lucrative, far-sighted and iconic developments. He started small, then graduated to larger projects, including:

1. National Harbor. This 240 acre Washington, DC development with 1 ½ miles of I-95 Beltway frontage and 1 ¼ miles of Potomac River Frontage took 4 and a half years to get county unanimous zoning approval (all previous zonings in the prior 30 years had failed), access to waterfront through federal property that gave the density needed (lobbying to successfully pass a bill through Congress, passing the federal land to the local county park authority, where a reciprocal agreement was already in place for local use of the park and direct access to the waterfront land, allowing higher density), and direct access to the site from the intersection of two interstate highways (I-295 and I-95), overturning an earlier written refusal by the state to allow interstate highway access. When it was done, National Harbor was approved on its way to a billion dollar project, which he sold. It is now a \$4 billion project (see photo below).



2 Riviera. 2,400 acres on the Potomac River with two miles of river frontage 20 minutes south of the Beltway. Jim Burch assembled the 12 parcels and put together the team that planned this one-of-a-kind project. He sold it for \$20 million to one of the largest land developers in the country. Taking a year in thoughtful planning, this development included such creative elements as: 1) 50% open space, utilizing good land, to attract forest-dwelling birds and animals, have open space near every component use, and establish a sense of nature-at-hand right plan throughout; 2) a people moving transit system connecting the density concentrations and planned in conjunction with them; 3) a creative use of low land (not ecologically sensitive) to become a dredged marina and central focal point for the development, and a landing for hovercraft for commuters to downtown Washington, DC; 4) the creation of a destination retail, in order to pump in tax dollars to the county in advance of residential development bringing tax drain public expenditures such as schools; and 5) creative architecture and design, making this planned development the best seen yet to date.

3. Planned a 1,000 acre resort development for King Hassan II of **Morocco**, 1988. This involved the design and approval process for 3,000 residential units, 7 major hotels, marina, 2 golf courses, casino, gardens and myriad amenities. Most of the consultants for the project were European. This was the largest resort development of its kind in Morocco at that time.

4. Planned and designed the development of **the Island of Kerkenna, Tunisia**, 1990. This island, the size of Bermuda, lies 5 miles off the eastern shore of Tunisia, near its second largest city, Sfax. For the government of Tunisia, Jim designed first the master plan for not only the whole island, but also the surrounding waters, setting aside areas for fishing, recreation and commercial cruise ships. Then the island itself was scaled to restrict the historical areas (where inhabitants lived as they did in the Ninth Century) strictly to locals, surrounding farming areas restricted to their current uses, and resort pods set around the water's edge of the island, connected by people movers, waterway canals. Cars were tightly restricted, and moped use encouraged. The Government took this project, enacting the design elements, and opening the development up to outsiders according to the plan.

(Currently, Jim Burch has been the principal bishop of The Catholic Dioceses of One Spirit (www.OneSpiritCatholic.org) since March 2002; the diocese is an ecumenical Christian association, more like the early centuries of Christianity than the last several centuries, and based on the underlying substantive understanding that God loves everybody equally and unequivocally, and that the presence of Divinity within everything and everyone is the essence of the Christian message. Jim currently spends most of his time as a motivational speaker on spirituality, typically addressing more than 30,000 people each year. He has been an ordained Catholic priest since 1996, having previously trained for nine years in a Roman Catholic seminary. The diocese is currently comprised of approximately sixty plus progressive priests – women and men, married and single, heterosexual and homosexual – with more constantly in the pipeline, who work toward new means of spirituality for the 80% of the population no longer sustained by traditional church activities. He is deeply involved in multi-denominational, multi-religious activities, and stays quite active in political issues on Capitol Hill.)

QUOTES ABOUT JIM BURCH IN THE BUSINESS WORLD

Dossier magazine wrote: "Burch ... combines enthusiasm and self-confidence in what appears to be a combustible mix."

The Washington Post wrote: "Where all others had failed, Burch succeeded last week in winning zoning needed for a major waterfront development on the Potomac River ... a key ingredient in Burch's success was the man himself, who sensed the psychic need in Prince George's for recognition and exploited it aggressively, working his way into the county's social and political circles."

In a later article, The Washington Post wrote: "For years entrepreneurs had eyed the verdant Potomac River bank just south of the Woodrow Wilson Bridge as ripe for development. But proposal after proposal fell victim to a small band of citizen activists determined to maintain their rustic semi-rural environment ... But last week James H. Burch ... succeeded where others had failed ..."

Dr. Cynthia Wedel, the first woman President of the National Council of Churches, wrote: "I have been enormously impressed with your understanding of community problems and of the changing world in which we are living."

When King Hassan II of Morocco asked the American Ambassador to Morocco Tom Nassif what Jim Burch was like, Ambassador Nassif immediately answered, "Jim Burch is the kind of person who built America."

Dossier magazine wrote: "[PortAmerica/National Harbor] brought vindication for his utter belief in his own vision and made his reputation in the Washington real estate community. He had sunk all of his and a lot of his partners' money into the project – a million dollars in all – and he kept it alive for four and a half years by sheer force of will ..."

In an article entitled "The Deal of a Lifetime," Dossier wrote: "Burch ... is engaging, eager to please, and so energetic that people his own age call him 'that young man.' Although he combines enthusiasm and self-confidence in what appears to be a combustible mix, nothing in his resume would have predicted the kind of vision and obsessive persistence that builds empires."

2. Members of the Development Team

**Construction Management / Development Liaison for the Owners:
AREY, INC.**

Peter Arey



In charge of office supervision

Formerly in the Washington D.C. Metro Area. Commercial Real Estate project management, primary for Cafritz Development and for Fairview Park. Mr. Arey 's degree is from the University of Maryland.

Steven Peer



In charge of field supervision

Formerly in the Washington, D.C. Metro Area. Commercial Real Estate project management, primarily for Cafritz Development and the Gerald Hines Interests. Mr. Peer's degree is from the University of Virginia, Darden Graduate School of Business Administration.

Arey - Peer Partners offers clients a complete range of services

Arey-Peer Partners bring a proven track record of superior quality development throughout the metropolitan region. The principals of the company have been involved in the development of some of the region's most prominent office buildings along with notable mixed-use and residential properties totaling several million square feet. They draw on past experiences to create a diversity of uses in unique new development projects. They create value for our clients and the communities in which they work through the development of sophisticated projects, which have a dynamic, positive relationship to their local neighborhoods, hallmark quality, and key custom features aimed at meeting every need of our customers. List of services and representative projects follow:

- Owner's Representation
- Project Management
- Architectural / Engineering Coordination
- Construction Management
- Development Management
- Feasibility Studies
- Change Order Management
- Pre-Development Due Diligence
- Permit Coordination
- Value Engineering
- Business and Economic Incentives
- Capital and Financial Solutions
- Renewable Energy Design
- LEED Certification and/or Energy Star
- Asset Management (for FF&E)
- Security, Signage, and A/V Coordination
- Proactive Risk and Cost Mitigation
- Management of Project Invoicing / Cash Flow
- Schedule Preparation
- "Look Ahead" Management

*3120 Fairview Park Drive - Northrop Grumman-
Develop, finance, and construct for Fairview
Property Investments – 2008 NAIOP award
winner, Suburban Office - 180,000sf – project
size: \$53 million. James G. Davis Construction +
Noritake Associates.*



*2900 Fairview Park Drive - Develop, finance,
and construct – HITT's corporate
headquarters, 169,000 sf. Negotiated Joint
Venture between HITT and Fairview Property
Investments – project size: \$46 million. HITT
+ Noritake.*



2941 Fairview Park Drive-General Dynamics

Headquarters- Manage construction of General Dynamic's world headquarters tenant space, 170,000 sf— project size: \$27 million. Rand +Lehman-Smith.



1775 Eye Street - \$30 million renovation of 180,000 sf DC office building. ULLICO financed \$26.5 million construction loan. After HAZMAT remediation, property upgraded through gut renovation from Class C to Class A equivalent and sold to Pension Fund. Work included re-design of façade, elevators, and lobbies.





77 K Street-Property acquisition and land-carry lease of 1950's building to District of Columbia. Managed property and extended lease with DC Bureau of Traffic Adjudication. Directed design, marketing and pre-leasing of new 335,000 sf office building. Negotiated purchase of TDR's, secured building permit and general contract and sold site for \$29 million to joint venture of Brookfield and ING. Davis Carter Scott.

Ravinia

Atlanta, GA

Gerald D. Hines Interests

1982 to 1987

1,600,000 sf Four-Building Office Complex

500 Room Hyatt Regency Hotel



Served as Project Manager for this mixed-use suburban high-rise office and hotel project. Involvement started with the acquisition of an un-entitled 40-acre farm located in the NEC of I-285 and Ashford Dunwoody Road. Was active in the entitlement process, architect selection (Kevin Roche), master site planning, and design of the first seventeen-story 400,000 sf office building. Negotiated financing documents with Algemene Bank of the Netherlands. Started construction spec, executed 300,000 sf lease with Northern Telecom to occupy at issuance of C/O, leased balance of space to 100% occupancy. Awarded bonus equal to two times annual salary for bringing project in on-time and 10% under budget. In addition, negotiated with Nick Pritzker for the sale to the Pritzker family of a site for a 500-room Hyatt Regency (one of only eleven family owned hotels at the time).

191 Peachtree

Atlanta, GA

Gerald D. Hines Interests

1986 to 1987



1,200,000 sf Office Building
For this 50-story office building located on Peachtree in the CBD, served as the Project Manager through the early stages of the development. Participated in documentation of joint venture with Tom Cousins who controlled the land assembly, negotiated financing documents with PGGM, was involved in architect design competition through selection of Philip Johnson and in lead tenant lease negotiation with King & Spaulding.

1201 New York Avenue

Washington, DC

The Kaempfer Company

1987 to 1988

325,000 sf Office Building



Served as Vice President/Project Manager and partner in this 325,000 sf office building located in the East End of Washington's CBD. Responsibility started at topping-out of construction. Executed lead tenant lease with the Hotel and Motel Association and several additional tenant leases. Negotiated with equity partner (Clark Construction) to expand budget to reflect realities of market and started land assembly and design for expansion project known as 1225 New York Avenue.

Washington Harbour

Washington, DC



Cafritz Interests

1988 to 1990

510,000 sf Office/Retail

Senior Vice President/Project Manager and partner in this waterfront development in the Georgetown area of Washington. Was involved in the purchase of the property from the senior lender after foreclosure from the original developer. Construction was 95% complete at the time of acquisition. Negotiated joint venture financing agreement with Long Term Credit Bank of Japan (LTCB) requiring no sponsor equity. Resolved numerous pre-existing lawsuits, hired construction manager and directed construction completion. Hired property manager and directed property management and accounting. Engaged third party leasing team and directed leasing effort. Completed construction and achieved over 90% occupancy. Negotiated sale of Cafritz partnership interests for \$5 million to LTCB in 1991.

Security West

Baltimore, MD



Cafritz Interests

1988 to Present

850,000 sf GSA Office Building

As President and Project Manager negotiated leases with GSA for the entire building in 1993 and 2003. After the lease execution in 1993 negotiated and closed a \$56 million public debt financing which repaid all previous owner equity and designed, contracted for and directed a \$28 million renovation of the entire building working around 4,000 Social Security Administration employees. After negotiating and executing a new lease in 2003, secured a \$98 million public debt financing with a \$10 million residual value insurance policy and completed a \$4 million renovation of public spaces. In 2009 negotiated, designed and directed a \$14 million renovation of all tenant finishes in the building paid for by GSA. Responsible for HAZMAT management and abatement in the building and on site.

409 12th Street, SW

Washington, DC

Cafritz Interests LLC

1990 to 1992

140,000 sf Office



Negotiated lead tenant lease with American Colleges of Obstetricians and Gynecologists (ACOG). Directed leasing and negotiated leases for spec space and garage. Negotiated lender workout agreement releasing personal guaranties. Sold asset to ACOG in 1992.

1660 L Street

Washington, DC



From acquisition of this late 1960's occupied asset, managed leasing, property management and public space renovations. Directed sale effort and negotiate and closed sale to Korean International Trade Association. Asset purchased in 1995 for \$17 million and sold in 2005 for \$52 million.

Palmer Club

Sarasota, FL



Cafritz Interests LLC

2001 to 2007

86-Unit Assisted Living

Identified off-market asset in 2001 held by national assisted living operator teetering with Chapter 11. Purchased asset vacant for \$2.4 million and renovated facility. Directed leasing and management. Achieved 100% occupancy and sold asset to local operator for \$6.5 million in 2007.

Thunderhead

Steamboat Springs, CO



Cafritz Interests LLC

2006 to Present

900,000 sf Resort Condominium

Negotiated with JV controlled by Freeport-MacMoRan and Starwood to purchase eight acres at the base of this one million skier visit mountain. Secured debt and equity for \$60 million purchase. Engaged local developer to manage on-site efforts, directed design and entitlements resulting in increased density from two and three story .5 FAR to nine-story 2.0 FAR. Executed LOI for Ritz-Carlton branded whole- ownership condominiums. Demolished existing buildings. As development market collapsed negotiated five-year profit sharing participation in exchange for release of all decision making authority and transfer of ownership interests.

Lead Design Architect

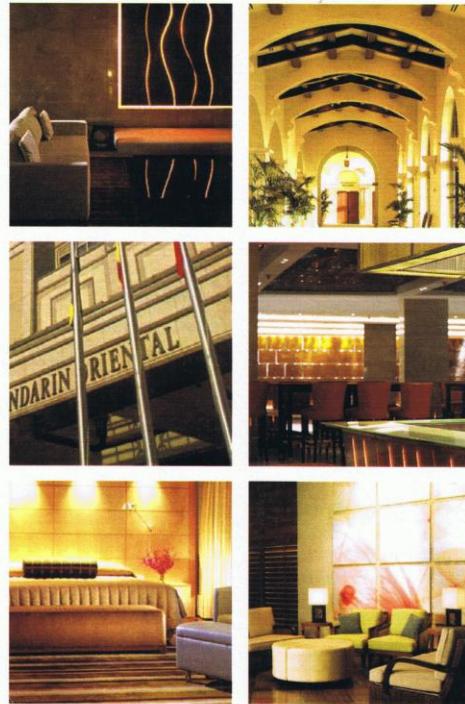
The following 17 pages are the qualifications of Wimberly Allison Tong & Goo (WATG), whom the developer believes is the best design company for resorts, hotels and mixed-use attractions in the world. They have designed approximately 40% of the world's top resorts and hotels, including – among MANY others – those on the next pages.



DESIGN

experience

WATG Wimberly
INTERIORS



renovate
refurbish

rejuvenate
reposition

Upgrading your hotel – whether it's to create a fresh look, improve efficiencies, or totally reinvent your property – goes a long way toward protecting your assets as well as your reputation. With clear objectives and an experienced team, your renovated property can achieve or exceed your ROI goals.

relax

Contact WATG to help you renovate and rejuvenate your property. Now is the time.

Service Lines

Strategic Consulting

WATG offers strategic consulting expertise in response to clients' requests for assistance throughout the development cycle. Our hospitality advisors can help you:

- Determine the best use of your site
- Assess your project's feasibility
- Coordinate the efforts of your consultants
- Achieve a level of green/sustainable design & obtain third-party certification
- Solicit proposals and negotiate contracts with operators
- Analyse opportunities for renovation & repositioning

Master Planning

Having designed more hospitality projects than any other firm in the world, our strong track record developed over six decades shows successful completion of mixed-use planning projects that are aesthetically pleasing, environmentally responsible, financially successful and operationally efficient.

A Strong Track Record

- Knowledge of international expectations and Standards. Having worked in over 160 countries, we offer a broad perspective of what is involved in creating a viable master plan.
- Collaborative approach to planning and design. As a firm, we work collaboratively involving clients, operators, consultants, government officials and other interested parties to ensure that suggestions and ideas are incorporated at the very earliest stage.
- Proven lead consultant abilities. We are frequently asked to provide the overall management and coordination of all the consultants and their efforts throughout the master planning process.
- Dual expertise working in tandem for rapid advancement. We are designers and hospitality consultants as well as planners—this dual expertise is beneficial if there is a substantial amount of work to be completed in a relatively short time frame.

WATG planners look at market analyses, valuation findings, and land use comparisons to assess issues of viability and compatibility. Urban planning and resort planning services include:

- Site assessment
- Site selection
- Highest and best use analysis
- Master planning
- Site design
- Architectural concept design planning

Architecture

At WATG, we measure success the way our clients do—speed to market, price and pace of sales, revenue per square foot, profitability, return on investment, net present value. An insider's understanding of sales success is requisite to design success.

WATG projects secure not only design awards but also bottom-line results. Our specialised experience in these areas is a priceless addition to any project:

- Project management
- Conceptual design
- Architectural design
- Production of technical drawings
- Coordination of prime consultants



Master Planning
Uptown Cairo, Cairo, Egypt

Interior Design

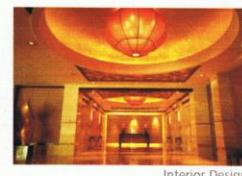
Over the years WATG has evolved to meet the changing needs of its valued clients. To complement its traditional strengths in architecture, planning and consulting, WATG offers interior design services, in order to deliver to clients an integrated "one-stop-shop" experience with a single point of accountability. The result is a well-coordinated project development process and a seamlessly executed product. Our interiors script opportunities for people to find rejuvenation, recreation, romance, excitement, and escape.

WATG's interior design services deliver to clients an integrated experience with a single point of accountability and a specialization in hospitality projects. Interior design services include:

- Facilities programming & space planning
- Budgeting and value engineering
- Interior architecture
- Interior design documentation
- Specifications
- Furniture, finishes, fixtures selection (FF&E)
- Procurement management
- Installation



Architecture
The Leela Palace, Bangalore, India



Interior Design
New Century Ningbo Hotel, Ningbo, China

Landscape Design

WATG offers a full range of landscape architecture, design and consulting services, including:

- Project feasibility assessment
- Environmental feasibility analysis
- Hard and soft landscape design
- Outdoor artwork selection
- Construction documentation
- On-site reviews and contract administration

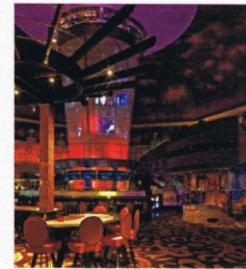


Landscape Design
Emirates Palace, Abu Dhabi, UAE

Masquerade at Harrah's New Orleans

New Orleans, Louisiana, USA

WATG Wimberly
INTERIORS



client
Harrah's Entertainment, Inc.

size
13,000 square feet

amenities
2,400-square-foot ultra lounge;
42-foot tall high-tech video tower;
32-foot ice bar; live shows and music;
table games and slots; night sky-themed ceiling mural

services provided
Architectural design
Interior design

associate architect
Montgomery Roth



challenge

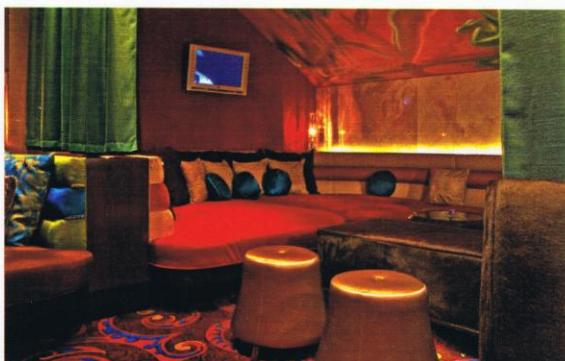
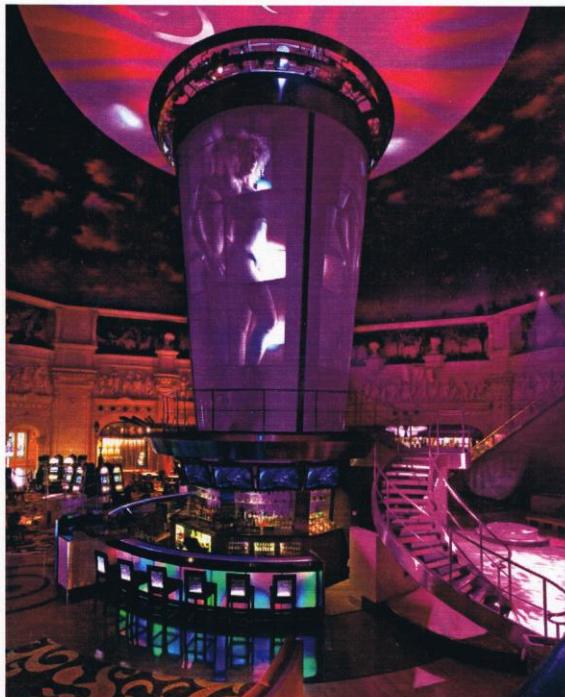
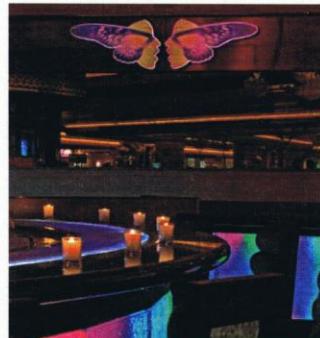
The design challenge was to create a one-of-a-kind, hip and ultra-modern casino entertainment venue to become the focal point of the existing casino.

solution

The design team created a "Masquerade" themed entertainment piece at the center of the casino in the former passive Jazz Court area. The space was designed in a New Orleans baroque, contrasting with a sleek and ultra modern video tower. The 42-foot-tall tower serves as the centerpiece and merges art and technology to create a sensory experience with audio, video and special effects including faux-fire and intelligent lighting. A 53-foot ceiling displays a night sky themed mural and fiber optic galaxy to give the space a dramatic outdoor feel. Completing the experience is an intimate private lounge, 32-foot ice bar, dance floor, stage for live shows, table games and slots.

Masquerade at Harrah's New Orleans
New Orleans, Louisiana, USA

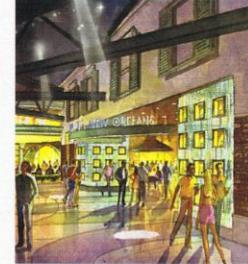
WATG Wimberly
INTERIORS



Harrah's New Orleans

New Orleans, Louisiana, USA

WATG



client
Harrah's Entertainment, Inc.

size
110,000-square-foot entertainment center

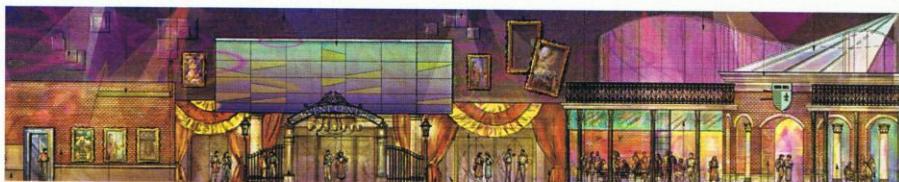
amenities
Two restaurants; event center seating 1,600 for shows; cabaret theatre/showroom; night club/lounge; retail space; 10,000 square feet of VIP area

services provided
Architectural and Interior design



Harrah's New Orleans
New Orleans, Louisiana, USA

WATG



The Ritz-Carlton, Guangzhou
Guangzhou, China

WATG



client
R&P Properties Group

size
351 guestrooms
120 serviced apartments
42 stories

amenities
Two restaurants (fine dining and Chinese); spa; fitness center; indoor pool; lobby lounge; two private penthouses with private pools

services provided
Architectural design

challenge

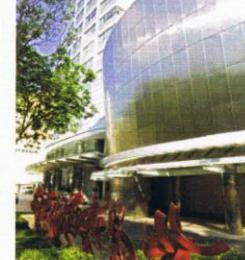
The challenge was to design a five-star luxury hotel in an urban setting that would maximize its prominent location.

solution

A forty-two story contemporary structure was designed to offer panoramic views of the Pearl River. The layout of the hotel allows for effortless access to the nearby international convention and exhibition center, the opera house and national museum.

St. Regis Hotel & Residences Singapore Singapore

WATG



client
City Project Management Pte. Ltd

size
Site: 4.13 acre site (1.67 hectares)
299-room luxury hotel (20 stories)
173 residences (apartments,
suites and penthouses in two
23-story towers)

amenities
Remède Spa with sensorial lounge and
aquarium; sauna; fitness center; pool;
tennis; jogging path; retail; dining;
Bentley Fleet transportation service

services provided
Architectural design

awards
Travel + Leisure Magazine, IT LIST - Top
30 new hotels in the world; *Conde' Nast Traveler*, HOT LIST - Hottest
new hotels in the world; *Conde' Nast Traveler*, HOT LIST - Hottest new spas
in the world; *Elite Traveler*, Top 101
Hotel/Resort Suites of the Year; *Robb Report*, Best of the Best - new hotels

challenge

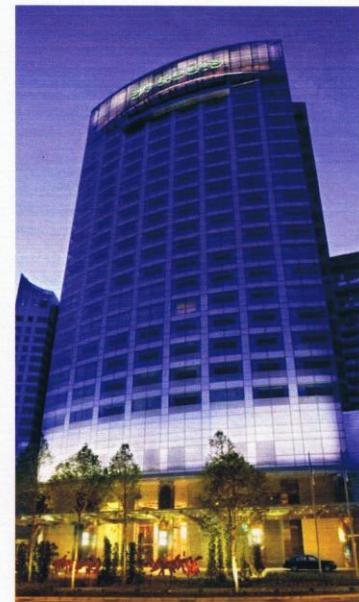
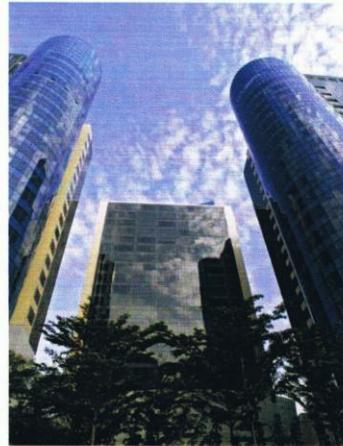
The design challenge was to create a dynamically sculptured, vibrant and inviting city-center mixed-use complex for the heart of Singapore, and an emblem of Singapore's prominence as a 21st-century destination.

solution

Incorporating the crescent symbol of the nation's flag in the design, the architects visually linked the three buildings on the urban site with crescent-shaped forms and profiles, clad in translucent glass to achieve a luminescent glow.

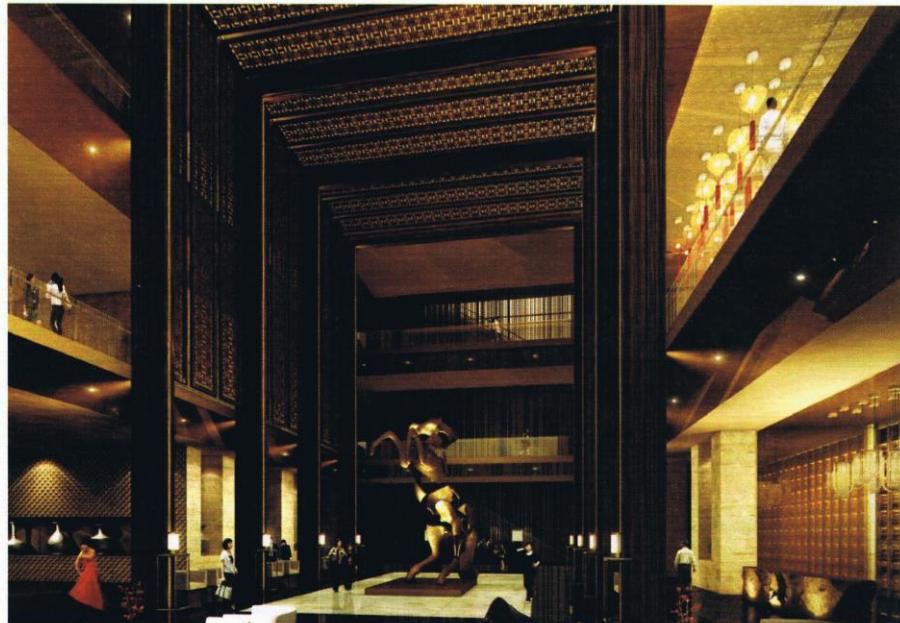
St. Regis Hotel & Residences Singapore
Singapore

WATG



TJMC Four Seasons
Tianjin, China

WATG



The Bentley Suite at the St. Regis New York

New York, New York, USA

Wimberly
INTERIORS



client
Starwood Hotels & Resorts Worldwide
in collaboration with Bentley Motors.

size
1,700 square feet

amenities
Expansive dining and living rooms;
floor to ceiling windows; Bentley-
inspired accents throughout the
suite; views overlooking Fifth Avenue
and Central Park; St. Regis butler
service; in-suite champagne bar; and
complimentary access to the St. Regis
Bentley Mulsanne

services provided
Interior design



challenge

The challenge was to transform a suite at the St. Regis New York into an iconic one-of-a-kind luxury suite that exemplifies the characteristics of both the Bentley Motors, and St. Regis brands.

solution

The suite's design boasts a unique juxtaposition of elegance and contemporary sleekness that reflects the bespoke elements of both brands. The black leather tile floor pairs perfectly with a linen colored, perforated diamond leather wall, stitched with one of the 42 custom Bentley leathers. A metallic silver mirror, inspired by a carbon fiber wheel rim, sits above an accent table evocative of the dashboard of a Bentley. The suite combines the modern yet glamorous style of the brand with the timeless and impeccable style of The St. Regis New York.

The Bentley Suite at the St. Regis New York
New York, New York, USA

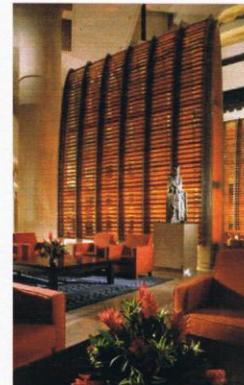
Wimberly
INTERIORS



Pan Pacific Singapore – Lobby

Marina Square, Singapore

Wimberly
INTERIORS



challenge

Pan Pacific challenged WATG to redefine its dated, albeit highly profitable, Lobby Lounge located in a John Portman designed 35 storey Atrium, the tallest in Southeast Asia.

solution

Using a motif of tubular louvered screens, WATG divided the opulent space into more intimate sub-areas. A high wall was erected as a backdrop in photo images of Singapore's national flower, the Miss Vanda Joachim Orchid in aqua tiles, the largest mosaic mural of its type in the world. A tapas-style, Japanese sake bar and a wine cellar have been placed into the original Portman designed entry tunnels.

results

Capacity was doubled to a total of 250 seats while maintaining the intimate atmosphere local customers had come to associate with the Lounge and bringing the décor into the 21st Century.

client

Pan Pacific Hotels

size

742 guestrooms; 38 suites

amenities

Business center; outdoor swimming pool with underwater sound system; tennis courts; Clark Hatch Life Spa & Fitness Centre; conference facilities

services provided

Interior design

Pan Pacific Singapore – Ballroom
Marina Square, Singapore

Wimberly
INTERIORS



client
Pan Pacific Hotels

size
Ballroom - 8,662 square feet

amenities
The Pacific Ballroom accommodates up to 680 diners or 800 reception guests with special soundproof wall panels; new state-of-the-art sound system, audio-visual equipment; high-tech electronic remote to control house lights, slide projector, screen and sound

services provided
Interior design



challenge

The design challenge was to create a distinctive environment and renovate the ballroom and public areas to attract more customers.

solution

The design team refurbished an under-performing portion of the hotel with a unique and refreshing design approach, using state-of-the-art lighting and acoustics.

results

Revenues skyrocketed after the renovation - in six months since the project's completion, banquet sales increased by 40%.

Fairmont Towers Heliopolis
Cairo, Egypt

WATG Wimberly
INTERIORS



The Ritz-Carlton, Panama
Panama City, Panama

Wimberly
INTERIORS



client
CM+D International

size
222 guestrooms
26 suites
80 residences

amenities
Club lounge; lobby lounge; bar and three-meal restaurant; pool bar + grill; spa + fitness center; owner's lounge + boardroom; meeting spaces, ballroom, + prefunction areas; kids' club

services provided
Interiors

challenge
The challenge was to design a luxury hotel that reinforced a sense of place with cultural details.

solution
Panama's Canal and Water Ways influenced the design with a crisp nautical palette of navy and white accented with bright pops of color. The interior architecture utilizes techniques and styles found in luxury yachts. The design for this property is distinctly for a modern yacht that's docked in Panama City and incorporates the locale within the yacht's design.

Inspired by importation of specialty goods and the growth of luxury items imported into Panama, the scheme also shares architectural influences from high-end retail boutiques, which connects the hotel to the luxury retail center within the development.



Consulting Architect

Peter Capone, AIA

Peter Capone is perhaps the last living partner of Edward Durell Stone, the famous architect of the middle Twentieth Century who was the architect of the subject World Trade Center building. He was vice president and director of Edward Durell Stone & Associates, Architects, and is our advisor. He will assist us to keep the legacy of the famous Edward Durell Stone and this building of his design.

Among this firm's many landmark buildings were not only the World Trade Center in New Orleans, but also Beckman Auditorium at the California Institute of Technology, the Public Library of the City of Palo Alto, the Museum of Modern Art in New York City, and the Center Library for International and Public Affairs in Los Angeles.

Local Architect:

Perez



Founded in 1940, Perez has grown into a national company with international reach. They are a 100% Woman and Minority owned, multidisciplinary firm providing a full range of in-house services including architecture, design-build, construction, landscape architecture, planning, interior design, and real estate development. Their depth of service offerings is complemented by eight national offices on the Gulf Coast, West Coast, East Coast, and Midwest, and a diverse portfolio of experience, which spans nearly every building and project type imaginable. The following several pages show some of Perez' work.

Angela O'Byrne, FAIA, NCARB, LEED AP President

Education: Tulane University, Master of Architecture
Columbia University, Master of Real Estate Development

Under Angela O'Byrne's visionary leadership, Perez has grown into a national firm, with locations across the country and projects around the globe. Angela joined Perez in 1998, and took over leadership of the company two years later as the owners' hand-picked successor. During her time as President of Perez, APC, Angela has opened nine new offices throughout the US, won federal contracts in Germany, Afghanistan, Iraq, and West Africa, and added construction, procurement, and real estate development to the firm's service offerings. She has over 30 years of experience in design and management of diverse project types including multi-unit housing, hospitality, recreation, master planning, historic renovations, education, government buildings, LEED certified projects, military construction, and more.

Born in Cali, Colombia, Angela came to the United States at the age of five when her father accepted a teaching and research position at Tulane University School of Medicine in New Orleans. She is a licensed Architect in more than a dozen states, a licensed General Contractor in Louisiana, and a LEED Accredited Professional in Building Design and Construction (BD+C). Prior to taking over the leadership of Perez, Angela served as Operations Manager, Studio Director, and Project Manager for three multi-national Architecture and Engineering firms in New York City. Earlier in her career, Angela was the Director of Project Management for the New York City Housing Development Corporation, the largest Housing Finance Agency (HFA) in the country.

Over the course of her career, Angela has received numerous honors and awards for her design work and her service to the community. She was named one of the "40 under 40—the Power Generation" by New Orleans CityBusiness in 1999, "40 under 40" by Gambit Magazine in 2000, Woman of the Year by New Orleans CityBusiness in 2001, 2006 and 2009, and Architect of the Year by New Orleans Mayor Marc Morial in 2002. Angela was selected for the New Orleans Regional Leadership Institute (NORLI) in 2000, and was inducted into the New Orleans CityBusiness Hall of Fame in 2009. Angela served as President of the AIA New Orleans chapter and was responsible for planning a Smart Growth Summit in May 2005, and hosting the Governor's Louisiana Recovery and Rebuilding Conference in November 2005 (100 days after Hurricane Katrina.) Shortly thereafter, Angela co-founded the non-profit, City-Works to advocate for better urban planning and design in the rebuilding of New Orleans.

Angela is currently on the Board of Directors of CREW Network, City-Works, Harmony Neighborhood Development (non-profit real estate developer), Newcorp (non-profit Community Development Financial Institution), Tulane University School of Architecture, New Orleans Business Alliance (NOAB) Business Development Leadership Council, a charter school in New Orleans and three privately owned for-profit companies. In the past, she has served on the Boards of AIA Louisiana, AIA New Orleans, New Orleans Regional Chamber of Commerce, and Women's Professional Council. She is a member of the US Green Building Council (USGBC), Women Impacting Public Policy (WIPP), the National Association of Housing & Redevelopment Officials (NAHRO), and Public Housing Authorities Directors Association (PHADA).

Ms. O'Byrne has three grown children: Frederick, Alexandra, and Christina. She sang for years in church choirs, and enjoys reading, movies, live theater and music events, travel throughout the world, golf, hiking, running, swimming, and biking.

Alfred "Pio" Lyons Lead Local Architect at the Perez firm

Pio Lyons was a principal at the architectural firm of Lyons & Hudson. Formed in 1973, the company had two major goals: design and technical expertise. Recently Lyons & Hudson was acquired by Perez.

The philosophy established in 1973 guided the firm to a position of strength with capability for execution of large and various building types. Their experience included major hospital projects, laboratory research facilities, diagnostic and evaluation facilities, student housing, office buildings, libraries, restaurant facilities, hotels and schools. The principals of the firm have extensive experience in a wide variety of renovation and restoration projects, including the Orpheum Theatre for the New Orleans Symphony and the Wildlife and Fisheries Building for the higher courts of the State of Louisiana. Such renovation projects require extensive knowledge of older building techniques, as well as knowledge of current technology and its applicability to the preservation of such historic buildings.

With excellence in design as one of their major goals the firm received numerous local and [national awards](#), recognized not only by their peers through receipt of awards but by the community as well, through design critics of newspapers, civic groups and individuals. They were honored for both new construction and renovation of historic buildings. Mr. Lyons, particularly, brings that capability to his new position, and to his work on the redevelopment of the historic World Trade Center building.

Additionally, maintaining a high standard of technical competency as their other major goal enabled the firm to earn the respect of the construction industry due to the thoroughness of their construction documents and due to their responsiveness during the actual construction of our projects. Years of experience, extending from the early 1960s, in production, writing of specifications, and contract administration enabled Lyons & Hudson to consistently produce well-designed projects on budget and on schedule, and to be a valuable addition to Perez.

One Canal Place



Year: 1979 / Canal Place Venture

Perez designed this 32-story 650,000 SF commercial office and retail facility in downtown New Orleans. The project included accommodations for single office users and multi-floor tenants, 3-story shopping center, hotel, mail services, parking garage, and passenger and service elevators.

1984 World's Fair, New Orleans



1964: Louisiana World Exposition, Inc.

The 1984 World's Fair transformed a decaying industrial area into a vibrant postmodern festival, spurring redevelopment of the entire downtown and riverfront area of New Orleans. Perez served as the Master Planner and Lead Design Team, and created one of the most notable aspects of the fair: the Mississippi Aerial River Transit (or MART), an aerial gondola traversing the river from the CBD to Algiers

Hotel InterContinental New Orleans



1984: InterContinental Hotels

Designed to accommodate increased tourism in advance of the 1984 World's Fair, this facility was the first US InterContinental hotel to be built from the ground up. At its opening, the luxury property contained 504 rooms, two solarium dining spaces, a formal dining room, lobby bar, sculpture garden, and European-style courtyard. Many years later, the client called upon Perez to provide design for renovations and upgrades to all rooms in the facility. This project was completed in 2000.

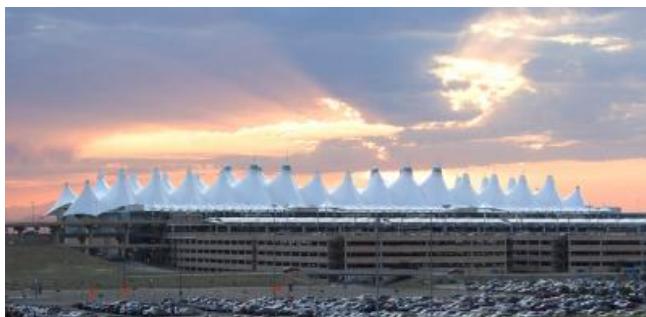
Louis Armstrong New Orleans International Airport - Phase IV Terminal Renovations



2012: New Orleans Aviation Board (NOAB)

In 2011, the Perez team was awarded the largest phase of the ongoing Terminal Renovation project. The project includes renovation and visual unification of the terminal interior, consolidation of the security checkpoint and concessions area at the West Terminal, and relocation of the NOAB offices to Concourse A. Rather than drawing from familiar imagery, the design team was inspired by the traditions, rituals, and natural beauty of New Orleans. The idea of procession evident in parades, jazz funerals, and the movement of the Mississippi River, was a driving concept for the design. Colors were chosen to suggest the warmth and liveliness of the city, in opposition to the institutional color palette of the existing facility.

Denver International Airport



Year: 1995

Services: Program Management & Schematic Design

Client: City and County of Denver Department of Aviation

Perez provided schematic design for airport concourses, and program management services for the \$250 Million Jeppesen Terminal Complex at Denver International Airport. At the time of construction, this airport was the centerpiece for the country's expanded air transportation system, and one of three major "worldports."

Harrah's Casino New Orleans



1999: JCC Holding Company

Awards: Casino Executive Magazine, Gold Medallion Award - New Construction for Land- Based Facility

Design for the Harrah's Casino reused space which originally housed the Rivergate Exhibition Center in downtown New Orleans. At the time of construction, the resulting four- level facility was the world's largest land- based casino, encompassing approximately 800,000 square feet of gaming, restaurants, ballrooms, and back- of- house support. The exterior architectural style of the facility echoes the festive spirit of the New Orleans Community, and complements the ambience of surrounding hotels, the Ernest N. Morial Convention Center, and the Riverwalk Shopping Center.

Our General Contractor, the McDonnel Group, worked on Harrah's Casino with Perez.

1231 Decatur Street Historic Renovation



2004: 505 Royal Street, LLC

Awards: Award of Merit in Historic Preservation, American Institute of Architects

Perez provided design services for renovation of a four-story home, first floor retail space, three-story slave quarters, and courtyard into one retail condominium and five residential condominiums. Historic elements of the French Quarter home, such as the classic winding wood three-story staircase, and wrought iron balcony overlooking Decatur Street were preserved and restored to the greatest extent possible.

Construction Company: The McDonnel Group



The McDonnel Group

3350 Ridgelake Drive Suite 170
Metairie, La 70002 **or**
P.O. Box 7392 Metairie, LA 70010
Phone: 504.219.0032

The McDonnel Group is a Louisiana based general contractor located in Metairie, LA. They provide comprehensive services that go beyond the mere construction of new projects. The ability to understand not only the construction process but also the overall design, development, and usability of each project distinguishes them from their competitors. Their staff and ownership possess a unique combination of talents that are unparalleled.

The McDonnel Group's objective is to deliver to its clients the best job possible by utilizing innovative solutions that provide optimum results. Whenever there is a more professional way to ensure value, The McDonnel Group can be relied upon to propose such a course. From pre-construction services and project engineering to construction management and field logistics, The McDonnel Group has the unique advantage of being able to manage each project from inception to end. Technology coupled with extensive experience enhances The McDonnel Group's ability to format information allowing the company to better communicate with its clients. The McDonnel Group's specialties include interior and exterior renovations, remodeling, building additions, and ground up construction of new buildings. They will tailor services to the client's individual needs which may include design support, preliminary budgeting, resource and logistics planning, scope management, project scheduling, project administration, and supervision.

The McDonnel Group is committed to building long term relationships with satisfied clients by providing reliable service and innovative solutions, focusing on the details and expectations of their clients' construction needs.

Design-Build

By working with a selected architect from the design phase of a project to project completion, The McDonnel Group assumes total responsibility for the design and construction of your project, giving our project a single source of responsibility from start to finish.

- Obtain a firm price for a custom tailored program at a very early stage
- Develop space program independently or choose to include this function in the design-build contract
- Receive expert assistance in determining space needs, budget, schedule, materials, and project goals

Once space requirements have been developed, The McDonnel Group assemble a team of construction professionals from each of the required design disciplines, drawing from their own in-house resources, as well as, external sources. The team's combined expertise allows them to efficiently and effectively meet project design and construction requirements, often within stringent budget and schedule parameters. Confidence in the design-build process will grow as clients experience the benefits of having a single source of responsibility, working with a fixed project price, and knowing exactly when the project will be ready for use.

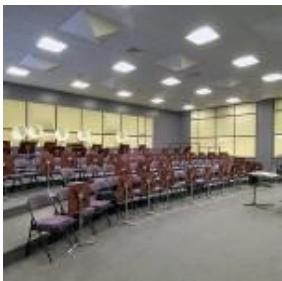
Construction

The McDonnel Group brings the most talented, innovative, and professional group of subcontractors, consultants, field supervisors, and project managers together in order to bring each project to reality.

- Quality construction
- Strict cost and schedule control
- Professional work ethics
- Success in consistently meeting client's expectations

Sample Construction Project Portfolio / The McDonnel Group

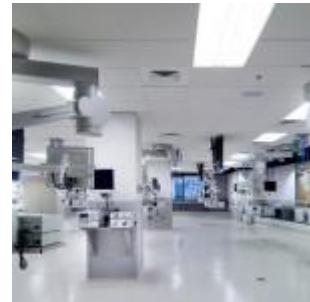
St. Augustine High School Expansion and Renovations



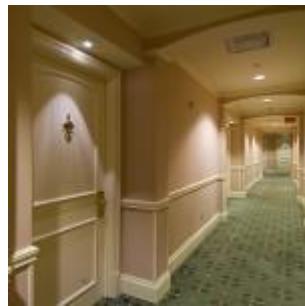
LSU Health Sciences Center — Charity School of Nursing Dormitory



LSU School of Medicine Center For Advanced Practice



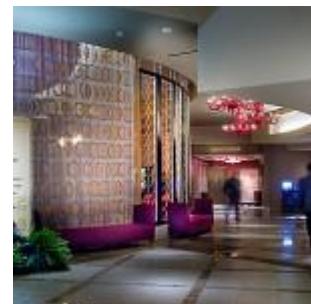
Omni Crescent Hotel Restoration



Omni Royal Orleans Lobby and Rib Room Renovations



New Orleans Marriott Lobby and Ballroom Renovations



Ripley's Believe It Or Not Museum



Metairie Country Club Expansion and Renovations



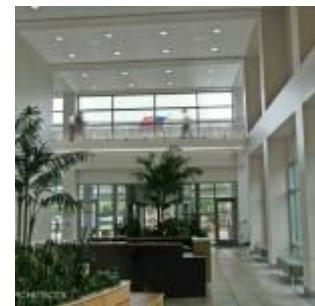
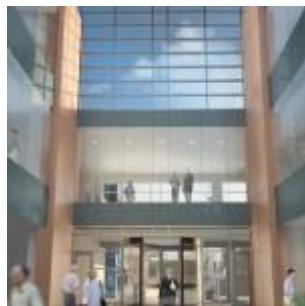
Café Du Monde, Metairie, LA



Louis Armstrong New Orleans International Airport Concourse D Phase IV



Mary Bird Perkins Cancer Center at Terrebonne General Medical Center



Cabrini Luxury Apartments



Market Analysis

The initial hotel and hotel-related Market Analysis:

Gary Schnellbacher

Mr. Schnellbacher worked for PKF, the consulting and evaluation firm specializing in hotels and hospitality research, in Houston until his recent retirement from that company. He intimately knows the New Orleans market. Gary Schnellbacher has reviewed and touched up the preliminary RFP-based market analysis for the all the components of this development submitted herewith. This is not an “ultimate” final market analysis, because it is impossible to get a full market analysis done under the present limitations imposed in the RFP process. Moreover and most importantly, by the very nature of future negotiations required to be done with the city, changes may occur which would make a full-fledged market analysis at this timeframe completely off target. This initial market analysis is acknowledged as an in-house study, yet done by professionals, reviewed by Mr. Schnellbacher for correctness, and not a final version.

The final FEASIBILITY STUDY:

The final FEASIBILITY STUDY will be conducted after we win the negotiated contract, and it will be done by Mr. Schnellbacher's company, Schnellbacher Development Services.

Mr. Schnellbacher was formerly Associate at PKF Consulting, Inc. in Houston, TX, and Commercial Staff Appraiser for O'Connor & Associates, Houston, TX. He was Commercial Review Appraiser for Conley, Knight & Boswell, Manhattan, Kansas; was Director of Property Taxation for Brock Hotel Corporation in Irving, TX; and Was Chief Appraiser, Head of Real Estate for Shawnee County, Topeka, Kansas. His special competence is market supply and demand analysis, financial feasibility and appraisals for hotels, resorts, mixed-use developments, and hotel-related-condominiums; survey design and methodology; financial and economic impact analysis. He has over 25 years of hospitality and real estate industry consulting experience. He has conducted numerous market supply and demand analysis, and appraisal analysis studies for existing and proposed hotels, mixed-use developments and hotel-related condominium projects and their related amenities. Scope of these engagements included site analysis; area review (including economic and demographic research); market demand and supply analysis; facility recommendations and projected performance; analysis of financial feasibility and valuation.

Residential Rental Realtor



Memories, relationships, treasured possessions – homes are repositories of the things that matter most. To market a distinctive home requires uncommon knowledge and resources. At Dorian Bennett Sotheby's International Realty offices, potential residents of our luxury apartments will find representatives experienced in offering exceptional living spaces. Their agents understand that a home – owned or leased, apartment or plantation – reflects the incalculable value of the life within.

As in art, antiques, wine and collectibles, the common denominator of homes represented by Dorian Bennett Sotheby's International Realty is the distinctive character of the property. Dorian Bennett Sotheby's International Realty represents properties of significant interest, which the residences at this location certainly will have. They also bring to every relationship an emphasis on exceptional service and a practiced eye for recognizing the unique value of a property.

Dorian Bennett Sotheby's International Realty is known for investments in historic New Orleans. Dorian Bennett Sotheby's International Realty continually lists properties ranging from grand mansions and Victorian gingerbread homes to sleek modern penthouses and properties ideal for renovation and redevelopment.



Dorian Bennett has long been a patron and supporter of the arts. Dorian also serves as New Orleans "Real Estate Agent to the Stars!" Dorian has sold local real estate to such notables as Nicholas Cage, Lenny Kravitz, Taylor Hackford, Jimmy Buffett and Zachary Richard. He even sold House of Blues its Decatur Street property. Through his work with the New Orleans Film Commission and by word-of-mouth, his name has been spread around the Hollywood community. As a result, when stars come to town they most often call Dorian. Dorian's appreciation of architecture and preservation is not limited to his professional career. He received a restoration award for the renovation of his office at 2340 Dauphine Street. His residence in the "Bend of Bourbon Street" also has a lot of history behind it. Built in 1825, it has been home to the son of Louisiana's first Governor - Claiborne, and more recently, Clay Shaw of JFK conspiracy theory fame. It was also featured in the book *House in the Bend of Bourbon*, by Terry Fletrich. Civic activities play a prominent role in Dorian's life. Dorian is currently serving on the boards of the New Orleans Jazz and heritage Foundation, French Market Corporation, the Historic District Landmarks commission, and Family Service of Greater New Orleans. Previously, Dorian was on the Board of the Contemporary Arts Center, president of the Friends of Contemporary Art of the New Orleans Museum of Art, on the board of the New Orleans Opera, and the board of trustees on the New Orleans Museum of Art.

3. Prior Projects of the Main Development Entities, in Which There was Extensive Experience with Governmental Entities

Listed below are governments with which our principal firms have dealt with in extensive collaboration on major projects. It should be noted that each firm's principals and staffs have had other extensive workings with governments before they joined their respective firms noted below.

James H. Burch LLC

- Fairfax County, VA
- The City of Alexandria, VA
- Loudoun County, VA
- King George County, VA
- Prince George's County, MD
- Charles County, MD
- The Government of the District of Columbia
- The Federal City Council, Washington, DC
- The U.S. Department of Transportation
- The Maryland State Government
- The Virginia State Government
- The United States Senate
- The Kingdom of Morocco
- The Government of Tunisia

Floyd Wilson, former Chairman of the Prince George's County Council (MD) wrote: "*If a [task] is guided by the efforts of Jim Burch, it is absolutely going to be done right, with an unparalleled creativity and marketability. Jim Burch never lets up; he never says die; he is a bulldog on accomplishing monumental tasks, but pleasantly. Even more important, he is a man of honesty, truthfulness and integrity ...*"

Clive DuVal, former State Senator and Chair of the Northern Virginia delegation, wrote: "*In my judgment, you have great ability, plus a broad understanding of the many issues that are important ... You have developed real expertise in the political processes and the workings of government.*"

Henry Howell, former Virginia Lieutenant Governor, wrote: "*[you are] an outstanding individual with remarkable administrative abilities and insights. [You are] someone ready to work hard and who has integrity and sensitivity.*"

Wimberly Allison Tong & Goo Architects

- Hainan, China
- Republic of Dagestan, Russia
- Haitang, China
- Bali, Indonesia
- Ningbo, China
- Guangdong, China
- Kuala Lumpur, Malaysia
- Antalya, Turkey
- Bodrum, Turkey
- Qingyuan, China
- Sanya, China
- Qingshui Bay, China
- Zhejiang Province, China
- Rio de Janeiro, Brazil –
- Sentosa, Singapore
- Sochi, Russia
- Boracay Island, Philippines
- Anahita, Mauritius
- Ho Chi Minh City, Vietnam
- Penang, Malaysia
- Rabat, Morocco
- Devon, United Kingdom
- Cairo, Egypt
- Port Gocek, Turkey
- Muscat, Oman
- Tamuda Bay, Morocco
- Kuala Lumpur, Malaysia
- Tamarin, Mauritius –
- Crete, Greece –
- Dead Sea, Jordan
- Dubai, United Arab Emirates
- Villingili Island, Maldives
-
- Newport Beach, California –
- Ningbo, China
- Corfu, Greece
- Guangzhou, China –
- Palm Beach, Florida –
- Huntington Beach, California
- Springfield, Oregon
- Rovinj, Croatia –
- Chaing Rai, Thailand –
- Limassol, Cyprus
- Cairo, Egypt
- Crete, Greece
- Playa Pelicano, Costa Rica
- North Coast, Egypt
- Palm Desert, California
- Tokyo, Japan
- Bangalore, India
- Goa, India
- Honolulu, Hawaii
- Sanya, China
- Dubai, United Arab Emirates
- Kuala, Terengganu, Malaysia
- Anguilla, British West Indies –
- Anaheim, California
- Wolmar, Mauritius
- Muscat, Oman
- Qadimah, Saudi Arabia
- La Jolla, California
- Hangzhou, China
- Honolulu, Hawaii, USA
- Attica, Greece
- Aphrodite Hills, Cyprus
- Peloponnese, Greece –
- Kahuku, Oahu, Hawaii
- St. Charles, Missouri –
- Westlake Village, California
- Shanghai, China –
- Highland, California
- Atlantic City, New Jersey
- Itoman city, Okinawa, Japan
- Marina del Rey, California –
- Chicago, Illinois
- Yountville, California
- Palm Springs, California
- Serengeti, Tanzania

- Paradise Island, Bahamas
- Hollywood, California
- New Orleans, Louisiana
- Bend, Oregon
- Windsor, UK –
- Las Vegas, Nevada
- Jimbaran, Bali, Indonesia
- Thessaloniki, Greece
- Carlsbad, California –
- Kang-Won-Do, South Korea
- Kohan, South Korea
- Carefree, Arizona
- Los Cabos, Mexico
- Sun City, South Africa
- Henderson, Nevada
- Dana Point, California
- Rangali Island, Maldives
- Naples, Florida
- Belle Mare, Mauritius
- Jeju Island, South Korea
- Kauai, Hawaii
- Dublin, Ireland
- Nusa Dua, Bali, Indonesia
- Nayarit, Mexico
- Tianjin, China
- London, England
- Mexico, D.F., Mexico
- Athens, Greece
- Bora Bora, French Polynesia
- Amman, Jordan

Perez Architects

- Gretna, LA
- The City of New Orleans
- The City of Kenner
- The City and County of Denver, CO
- The U.S. Department of Transportation
- The U.S. Army Corps of Engineers
- Nottawaseppi Huron Band of the Potawatomi
- Ascension Parish Government, LA
- Jefferson Parish Government, LA
- Hancock County Government, MS
- Housing Authority of New Orleans
- The National Park Service
- The New Orleans Aviation Board
- The New Orleans Regional Planning Commission
- The Jefferson Parish Public School System
- The City of Montgomery, AL

The McDonnel Group

- National Aeronautic and Space Administration
- The Port of New Orleans
- Ernest N. Morial Convention Center
- GNO Expressway Commission
- Louis Armstrong New Orleans International Airport
- Orleans Parish Sheriff's Office
- The City of New Orleans

Financial Capacity of Respondent

1. Financing Plan and Business Offer

Our Offer to the City

Our offer is for a 99 year lease from the New Orleans Building Corporation, in return for:

- A. Five Million Dollars (\$5,000,000) paid to the New Orleans Building Corporation (or the city of New Orleans, as requested) in the following manner:**
 - 1. At the signing of the Lease: \$1,250,000 to the New Orleans Building Corporation for the year 2013, assuming our lease with the city is signed in 2013;**
 - 2. \$1,250,000 on December 31, 2014;**
 - 3. \$1,250,000 on December 31, 2015; and**
 - 4. \$1,250,000 on December 31, 2016; and**
- B. An annual lease payment to the city of New Orleans in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000), payable December 31, 2017, or within 30 days of receipt of the Certificate of Occupancy (CO) for the building, whichever comes last, and every year thereafter on that date; there will be a Consumer Price Index (CPI) adjustment to the base rent at the end of every fifth year, based on the date from the first lease payment. The amount of the CPI adjustment will be determined by the average of the CPI increase/decrease for the previous five years, but not to exceed ten percent (10%) increase per review period.**

Critics have long argued that special tax districts should not be a part of redeveloping the property. **We do not ask for tax decreases.** The Bureau of Governmental Research has noted in the past that a TIF ("Tax Increment Financing" District) was unfair to existing hotels, all of which have to pay the 13 percent tax, and claimed it would cannibalize guests from other hotels. **We do not ask for a TIF.**

The history of this site is that private investors have bid too high in their effort to secure the development rights from the city. While this may have worked on the front end – resulting in won bids or contracts, it ultimately doomed, together with other factors, the long-term financial feasibility of the proposed developments. Our proposal gets it right – on the front end and on the back end.

The uses envisioned herein will dramatically attract even more tourists to this central part of the city, bring them through the World Trade Center building to the more-enlivened waterfront. These proposals show the city, in narrative and in economic analysis, that our proposal will bring great economic income and increased tourism.

One of the main reasons the former solutions for this site did not work was because the offers to the city made by earlier developers' proposals were unreasonable. They bid high to win the contract, but they later sunk the

project's ability to be financially feasible. Therefore our offer is a fair value, but is not be bloated to hope to outbid others on this sole criterion. What we provide the city is an array of uses that will not only be lucrative in their own, and thus produce significant income in and of itself for the city – more than other uses – but which will also generate significant additional tax and other revenue from more tourism, an entirely new type of tourism (international interests), a greater set of attractions, upped dividends from the greater use of currently underutilized properties. A one-time, up-front windfall payment to the city is much less helpful than is a later stream of significant new annual revenue.

James H. Burch, LLC proposes to lease the World Trade Center building and property via a ninety-nine (99) year lease hereinafter ("Conveyance"). James H. Burch LLC proposes to enter into negotiations with respect to the lease with the New Orleans Building Corporation (NOBC). Terms and Conditions of the conveyance shall be agreed to in Lease Agreement with the City of New Orleans. Subsequent to entering into the lease, James H. Burch LLC looks forward to working with the City of New Orleans and expects to share risks and rewards in the creation of this brightest star in the future tourism of New Orleans. James H. Burch LLC will proceed expeditiously in the negotiations with NOBC, and in financing and developing the property, so as to place the property into commerce as soon as reasonably practicable and minimize the adverse impacts on public resources and on surrounding properties and neighborhoods.

2. Evidence of Developer Financial Ability



James H. Burch LLC has selected ColumbiaNational Real Estate Finance, LLC to provide financing for the World Trade Center redevelopment, because of their history of success on projects such as this. ColumbiaNational has endorsed this proposal, contingent upon satisfactory negotiations with the city after James H. Burch LLC receiving the bid. ColumbiaNational is a full service, commercial mortgage banker, arranging permanent non-recourse mortgages as well as equity and/or mezzanine debt.

ColumbiaNational was founded in 1939 by the late James W. Rouse, the pioneer behind The Rouse Company. Under his leadership, The Rouse Company was responsible for some of the largest and most innovative suburban development and urban redevelopment projects in the U.S. He introduced, or at least helped popularize, the term "urban renewal." In the 1950s, his fledgling company created the term and built the first indoor "mall." In the 1960s, he was the first in the nation to focus on "planned communities," stressing a sense of community in which people came into contact with one another and developed relationships and neighborliness. His greatest achievement in this endeavor was the new city of Columbia, Maryland (home of ColumbiaNational). In the 1970s, Rouse took up "festival marketplaces," creating such urban legends as Faneuil Hall (Boston), South Street Seaport (NYC), Market East (Philadelphia), Harborplace (Baltimore), St. Louis Union Station, and, of course, Riverwalk Marketplace in New Orleans! Just as Jim Rouse was always innovative and ahead of his time in bringing communities into a future emblazoned with grace and values, so too does ColumbiaNational, in conjunction with James H. Burch LLC, bring this determination and creativity to New Orleans again at this World Trade Center site.

What most people don't know is that Mr. Rouse was a mortgage banker before he was a developer. The commercial mortgage banking firm he started over 70 years ago has since become ColumbiaNational Real Estate Finance, and remains committed to the hallmarks of the Rouse philosophy: Integrity in all endeavors, exceptional service consistently delivered, and a client focused culture. With over 70 years of dedication to clients' complete success, capital sources consist primarily of long standing relationships, some dating back to the 1940's, including insurance companies, pension funds, Freddie Mac, HUD REITS, investment banks, commercial banks, closed end real estate funds, and private equity investors. ColumbiaNational services approximately \$3.6 billion of its own loan originations. They are also a member of the Real Estate Finance Alliance ("REFA"), a national affiliation of independent commercial mortgage bankers. REFA members are companies like ColumbiaNational - leaders in major real estate markets across the country - who share information and experience, thereby enabling an even higher level of research and service. Only members of REFA, representing more than \$25 billion in commercial mortgages serviced for lender clients nationwide, can tap this vast store of expertise to bring national perspective to local mortgage issues.

COLUMBIA NATIONAL
Real Estate Finance, LLC

April 10, 2013

Mr. James H. Burch
Managing Partner
James H. Burch LLC
13419 Cavalier Woods Drive
Clifton, VA 20124
C/O Peter Arey

Re: RFP Proposal No. 4051-01414 -World Trade Center
City of New Orleans

Dear Peter:

I have reviewed your proposal for redevelopment of the above referenced World Trade Center site. We ran preliminary analysis based on your cost, revenue projections, and sources and uses. I believe that debt proceeds to construct and reposition the subject property at the levels you are requesting are available in today's construction financing market.

Having successfully worked on large construction loans with you in the past, I look forward to the opportunity to assist you in bringing this proposal to fruition.

Please keep me apprised of development plans and timing as you proceed through negotiations with the city of New Orleans and the New Orleans Building Corporation. Please let me know if there is any additional information we should be reviewing at this time and/or if you have any questions or comments we can address about our firm's capabilities or the debt financing markets in general.

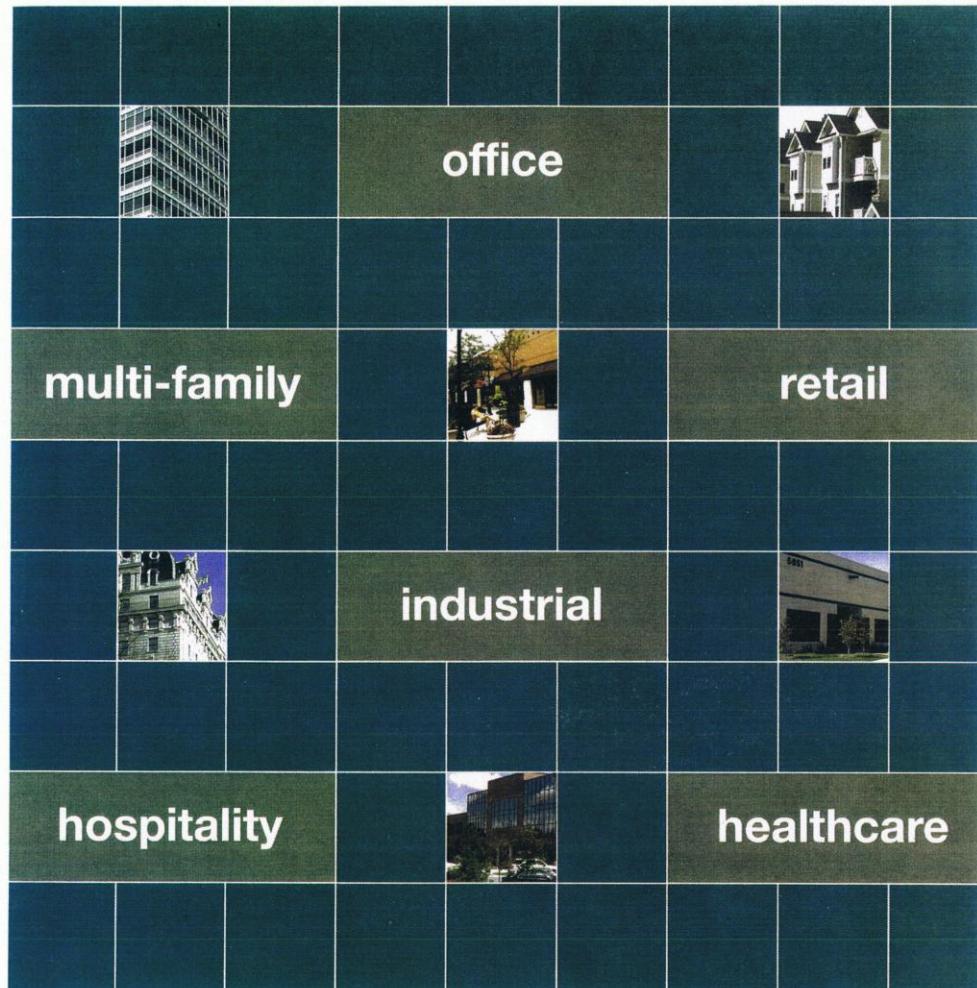
Best Regards,



Scott H. Park
Managing Director

1667 K STREET, NW
SUITE 510
WASHINGTON, DC 20006
202/872-0737 OFFICE
202/872-0920 FAX





COLUMBIA NATIONAL
Real Estate Finance, LLC

**has a long and proud history serving
the commercial real estate industry. Since 1939 when visionary thinker —
the late James W. Rouse — founded the company, Columbia National has lived
up to its originator's inimitable style by providing in-depth market knowledge,
commitment to exceptional service, and national scope.**

In-Depth Market Knowledge

In a society where job mobility is often a way of life, the tenure of Columbia National's Managing Directors stands out — on average, 21 years with the company. The in-depth collective knowledge of our Managing Directors coupled with our unparalleled lending platform, uniquely qualifies us to serve lenders and developers with superior efficacy.

Exceptional Loan Administration

Our loan administration group, located in Columbia, Maryland, maintains one of the largest and most efficient portfolios in the industry. Columbia National services \$6 billion in commercial and multi-family mortgages. Within our portfolio we represent over 20 institutional investors such as insurance companies, pension funds and money center banks.

At Columbia National, we offer our clients a wide range of capabilities including: General Servicing Functions; Investor Accounting; Property Inspections; Portfolio Reviews; and Risk and Asset Management. Our loan administration platform utilizes McCracken Financial Software and other industry standard software packages.

National Scope



In the years since its founding, Columbia National has grown to become a preeminent commercial mortgage banker with an unmatched lending platform. At Columbia National, we:

- Originate and service commercial loans based on correspondent relationships with a large cadre of life insurance companies and pension funds,
- Originate and service loans for both Freddie Mac and Fannie Mae,
- Are an approved lender for HUD insured loans,
- Represent the most competitive and reliable commercial real estate conduits for Wall Street capital,
- Can arrange placements for: equity, mezzanine debt, participating debt and joint-venture partnerships.

Our lending platform has the breadth to enable us to find the best source of capital for any commercial real estate loan request, regardless of size, type or geographic location. Our strengths, coupled with a long record of outstanding performance, provide clients with a robust selection of financial resources.

3. Surety Company Approval



Liberty Mutual Surety

450 Plymouth Road, Suite 400
Plymouth Meeting, PA, USA 19462

April 10, 2013

New Orleans Building Corporation
Bureau of Purchasing
Chief Procurement Officer
1300 Perdido Street, Suite 4w07
New Orleans, LA 70112

RE: The McDonnel Group, LLC
Project -- The World Trade Center
RFP No. 4051-01414
365 Canal Street #1120
New Orleans, LA 70130

To Whom It May Concern:

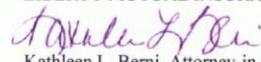
Our client will be submitting a proposal for the above referenced project. Liberty Mutual Insurance Company is pleased to share our experience with The McDonnel Group, LLC. Liberty Mutual Insurance Company has been engaged in the surety program of The McDonnel Group, LLC since 2008.

At the present time, Liberty Mutual Insurance Company provides a \$200,000,000 aggregate surety program to The McDonnel Group, LLC.

Should the captioned project be awarded to and accepted by The McDonnel Group, LLC we are prepared to provide the required bonds on their behalf. Our support is conditioned upon completion of the underwriting process, including Satisfactory review of contract documents, confirmation of financing and our ongoing review of the operational and financial capacity of The McDonnel Group, LLC. This letter is not an assumption of liability and is issued only as a prequalification reference request from our client.

We are pleased to share with you our favorable experience and high regard for The McDonnel Group, LLC. It should be understood that any arrangement for bonds is strictly a matter between The McDonnel Group, LLC and Liberty Mutual Insurance Company.

Sincerely,
LIBERTY MUTUAL INSURANCE COMPANY


Kathleen L. Berni, Attorney-in-Fact
c/o Arthur J. Gallagher Risk Management Services, Inc.
111 Veterans Blvd., Suite 1130
Metairie, LA 70005-3039
(504) 888-1100

FINANCIAL FEASIBILITY OF THE PROJECT

1. MARKET ANALYSIS

As developers, we had a sense of the market when we first considered this site and development concept. As entrepreneurs, we are constantly following trends, watching other developers and looking for new niches to fill in the market. Based on this knowledge, we identify opportunities and create concepts for taking advantage of those opportunities. This initial idea made intuitive sense to us, but gut feelings are not a sound basis for investing multi millions of dollars in construction.

This market analysis has been prepared using skilled and experienced professionals, incorporating detailed information about the market. The market analysis defines the market segments and differentiates the project, two tasks necessary to target customers. To keep the information pertinent, this study will be updated throughout the development process.

This market analysis is **very conservative**, on purpose. **Data has been** checked and cross-referenced with our architectural, engineering and planning firms, and general contractor. We have worked on this Market Analysis with Gary Schnellbacher, of Schnellbacher Development Services, and who has much experience in both New Orleans market and in these specific areas of programmatic interest, resulting from his former position with PKF and his/their market studies. Please see the letter on the following page, as it shows the conclusions of his work with us on this market analysis throughout this process.

According to Allison Plyer, Director and Chief Demographer, the Greater New Orleans Community Data Center, **New Orleans is rebounding and, in some ways, performing better than before**. New Orleans has weathered the recession relatively well. From October 2007 to October 2012, the New Orleans metro experienced a 0.6 percent increase in jobs while the nation lost 3.0 percent of all jobs. Entrepreneurship has spiked in the metro area post-Katrina with 427 of every 100,000 adults starting a business during 2008–10 compared to 333 of every 100,000 adults nationally.

According to the U.S. Census Bureau, **New Orleans was the fastest growing large city in the country between 2010 and 2011**. The metro area, with 1,191,089 residents, has 90 percent of its 2000 population of 1,316,510. The New Orleans metro area is more diverse than in 2000 with a gain of 36,761 Hispanics and 4,552 additional Asian residents. The Latino population in the metro spiked 63 percent between 2000 and 2011 — a rate greater than the nation's 47 percent growth. In the city, the Census Bureau estimated 109,903 fewer African Americans in 2011 compared to 2000, but also 16,524 fewer whites and 4,101 more Hispanics. Nonetheless, African Americans still represent the majority of the city's population at 59 percent, down from 67 percent in 2000.

SCHNELLBACHER DEVELOPMENT SERVICES, LLC
1621 SW MULVANE STREET
TOPEKA, KANSAS 66675-0263
785.224.4741
GSCHNELLBACHER@HOTMAIL.COM

April 10, 2013

Mr. Jim Burch
Managing Member
James H. Burch
13419 Cavalier Woods Drive
Clifton, Virginia 20124

RE: Letter of Interest

Dear Mr. Burch;

Thank you for contacting me about developing a financial feasibility study for your redevelopment project involving the World Trade Center in New Orleans, Louisiana. In this regard, I am attaching a preliminary engagement letter outlining the scope of work anticipated to be required to complete my analysis as a basis for discussion in the development of a finalized engagement letter.

I understand you are still in the RFP stage of this project and intend to have numerous conversations with city officials to finalize the details of the City's offering, lease terms, construction permits and parking issues. In this regard, I can make myself available to attend any meeting you deem appropriate for my attendance. Additionally, I would appreciate be involved in the finalization of the project's various aspects to insure that I completely understanding the scope and magnitude of your development and will attempt to make myself available for all related meetings and conference calls.

As we discussed on the phone, there are numerous issues that must be solidified before I would be able to complete such an analysis. As I understand our conversation, there will be seven aspects to your development; hotel rooms, residential apartments, multi-floors of office space, four floors of "Eyes on the World" consulates themed to participating nations and open to the public on a fee-paying basis as new tourism, three tiers of "World Plaza" retail space, open public space with entertainment and a parking garage. Each of these aspects will require a separate analysis before the applicable revenue and expense information can be blended into a feasibility study for the development. I will also require financial details related to the completion of the development; a copy of the master lease with the city, financing documents, applicable tax credit programs, any applicable real and personal property tax estimates and other related documents, studies and agreements, and the finalized construction and renovation cost estimates.

Based on the information you have forwarded to me thus far, I believe this project is an excellent fit for the redevelopment of the World Trade Center building and congratulate you for your vision and efforts. The proposed redevelopment project plans will enhance the look, feel and usability of the waterfront in the Spanish Plaza area, as well as, provide significant additional income to the city government.

I am excited by the opportunity to be of service in the matter and look forward to working with you on this exciting project.

Best regards,
Schnellbacher Development Services, LLC


G. Gary Schnellbacher
Principal

MARKET ANALYSIS for A LUXURY HOTEL

PROJECTED RATES

These were some of the available *discount* rates per night found at certain upscale New Orleans hotels, for March 26, 2013; they were found online at Hotels.com:

Omni Royal Crescent	\$159	Marriott Convention Center	\$159
Loew's New Orleans	\$179	JW Marriott	\$229
Bluegreen Club La Pension	\$189	W New Orleans	\$149
Marriott – New Orleans	\$169	Hyatt French Quarter	\$169
Roosevelt / Waldorf Astoria	\$199	Hyatt Regency	\$246
Hilton Riverside	\$169	W French Quarter	\$215
Westin Canal Place	\$169	Holiday Inn French Quarter	\$173
Crown Plaza French Quarter	\$159	Harrahs	\$344
Omni Royal Orleans	\$199	InterContinental	\$164
Ritz-Carlton	\$249	Enaissance Pere Marquette	\$189
Bourbon Orleans	\$289	Melrose Mansion	\$415
Hyatt Convention Center	\$134	Frenchmen Orleans at 519	\$239

In April, the average daily rate at New Orleans area hotels was \$154, said the Times-Picayune, the highest it has been since February 2002, when hotels commanded \$159.40 from guests, according to a report by Smith Travel Research. The average rate for the first four months of 2012, the last period for which data is available, was \$148.61, a 12.6 percent improvement on the first four months of 2011. New Orleans produced the greatest percent change in average daily rate from April 2011 to April 2012 compared with other cities in the top 25 hotel markets.

Luxury Hotels average \$262 per night. We will assume a conservative seasoned rate of \$225, with a first year rate of \$175, a second year rate of \$185, a third year rate of \$195, a fourth year rate of \$215, and a fifth year rate of \$225 for our luxury hotel room rate.



New Orleans average daily room rate, revenue since 1993 The Times-Picayune

PROJECTED OCCUPANCY

On June 3, 2012, Jaquette White reported in The Times-Picayune that hotel occupancy rates in the New Orleans area are higher than they've been in more than a decade. Tod Chambers, general manager of The Roosevelt Hotel and president of the **Greater New Orleans Hotel & Lodging Association** said "A lot of good things have happened for us to be able to drive rates and (revenue) here in the city."



HVS (Hotel Valuation Services) noted in a January 31, 2012 report by Adam R. Lair, entitled “Hotel Market Intelligence Report: New Orleans” the following:

Nearly 200 of the city's hotels were closed following Hurricane Katrina. The New Orleans economy mounted a modest recovery over the next few years, but was crushed again with another one/two punch, first the national recession in 2008/09, then by the Deepwater Horizon oil spill in 2010. Now the hotels of the city are on a rise and flourishing. While the Deepwater Horizon oil spill hurt tourism, local hoteliers report that the cleanup efforts actually boosted performance in 2010 and aided in the market's recovery from the recession. Furthermore, performance remained strong in 2011, after the cleanup crews had gone. Occupancy in the market has now reached levels seen prior to Katrina, and—for the first time since 2004—RevPAR growth is again being driven by a powerful rise in average rates. This is a promising sign of performance growth for New Orleans hotels and has opened the door to new builds and redevelopments.

Most of the hotels in the city have gone through significant renovations. Late 2011, more than two dozen New Orleans area hotels were undergoing, had recently completed or were about to begin renovations.

Not only are rates higher citywide, but so is RevPar, or revenue per available room, a key lodging benchmark. In April 2012, RevPar at New Orleans area hotels was \$115.33, the highest it had been since February 2009, when hotels recorded \$119.18 in revenue from each room booked, according to a Smith Travel Research. RevPar in the first four months of 2012, was \$105.11, up 14.8 percent from the first four months of 2011.

New Orleans Tourism Statistics					
Year	Number of Visitors*	Change**	Change***	Total Visitor Spending*	Change†
2003	10,100,000	---	---	\$ 4,500,000,000	—
2004	8,500,000	(15.8) %	---	4,900,000,000	8.9 %
2005(N)	5,300,000	(37.6)	(NA)	2,600,000,000	(24.0)
2006	3,700,000	(30.2)	(34.0) %	2,800,000,000	(14.6)
2007	7,100,000	91.9	(5.8)	4,800,000,000	1.6
2008	7,600,000	7.0	(2.8)	5,100,000,000	2.5
2009	7,500,000	(1.3)	(2.5)	4,200,000,000	(1.1)
2010	8,300,000	10.7	(0.4)	5,300,000,000	2.4
<i>Year-to-date through June</i>					
2010	4,455,000	---			
2011	4,800,000	7.7 %			

(N) Represents Jan. - Jun. figures due to Hurricane Katrina

*Rounded

**Annual percentage change from the previous year

***Annual average compounded percentage change from 2004 (pre-Katrina)

†Annual average compounded percentage change from the first year of data

Source: New Orleans Convention & Visitor's Bureau

HVS reports that Meeting and group demand continues to support local hotels. The Ernest N. Morial Convention Center underwent a \$60-million renovation following Katrina and has exceeded pre-Katrina booking levels each year since 2007. The convention center is now the sixth-largest in the nation with 1.1 million square feet of contiguous space. In December of 2011, construction began on a \$50-million renovation project that reconfigured the convention center's Hall A into an 86,000-square-foot function space, renamed the "Great Hall."

New Orleans hotel transactions exceeded pre-Katrina levels in 2009, 2010, and 2011. Rooms sold in 2011 grew above 1,000 for the first time in three years—doubling the number of rooms sold in 2010—and the average price per room, at \$101,380, hit its highest point since 2005. The HVS study notes that **"Current supply in the market stands at approximately 37,000 rooms, some 1,700 rooms shy of the pre-Katrina peak in supply."**

Renovations and hotel re-openings include the Sheraton, Marriott, Hilton Riverside, Ritz-Carlton, InterContinental, and Loews. The Hyatt Regency, closed since Katrina, reopened October 2011 following a \$275-million renovation that overhauled its 1193 rooms and added a 50,000-square-foot exhibition hall for in-house co2nventions; the hotel sits squarely in the city's Sports & Entertainment District, which includes the Superdome and the \$13.5-million Champions Square.

Several new boutique hotels have also entered the market. The 166-room Saint Hotel opened in December of 2011 on Canal Street, the result of a \$39-million renovation of the former Audubon Building. The Hotel Modern opened the same month, following a renovation of the former Hotel Le Cirque at an estimated \$50,000 per room.

HVS Study Conclusion: “The HVS 2011 U.S. Hotel Valuation Index forecasts significant growth in New Orleans’ hotel values through 2015, which would be a welcome change from the wavering real estate values since Katrina hit in 2005. Funds from the private and public sectors have been hard at work bringing the city’s economy and hotel industry back from the brink over the past six years, and recent employment, visitation, occupancy, and average rate statistics bear signs that this work has not been in vain. Given a hoist from the recovering national economy, hopes are high that New Orleans’ commercial, tourism, convention, and hotel segments will remain on the ascent.”

ASSUMPTIONS FOR OUR LUXURY HOTEL

RATES: As previously stated, we will assume a **conservative seasoned rate of \$225, with a first year rate of \$175, a second year rate of \$185, a third year rate of \$195, a fourth year rate of \$215, and a fifth year rate of \$225** for our luxury hotel room rate.

OCCUPANCY: Based on the facts noted above and on the assumption of both compelling marketing for the hotel and much free publicity deriving from the noteworthiness of this grand development, we will assume a 5 year buildup period for the hotel, with **first year occupancy at 45%, second year occupancy at 55%, third year occupancy at 65%, fourth year occupancy at 70%, and subsequent years' occupancy at 75%.**

This, then, based on these assumptions, will produce income as shown on the following chart:

PRELIMINARY INCOME PROJECTIONS LUXURY HOTEL AT WORLD TRADE CENTER

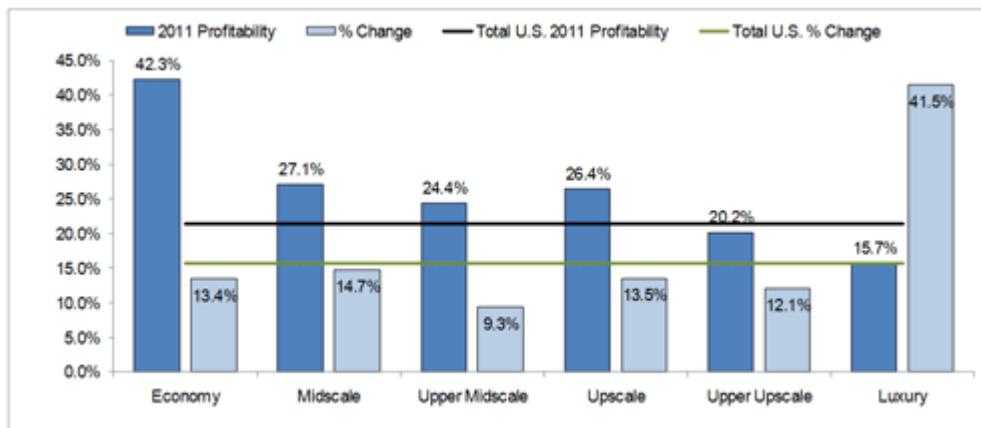
year	# rooms	rate	occupancy	daily gross	annual gross
1	550	\$175	45%	\$ 54,725	\$ 15,809,063
2	550	\$185	55%	\$ 74,250	\$ 20,426,313
3	550	\$195	65%	\$ 92,400	\$ 25,445,063
4	550	\$215	70%	\$103,125	\$ 30,212,875
established	550	\$225	75%	\$103,125	\$ 33,876,563

COST ASSUMPTIONS

The U.S. hotel industry achieved a net income of approximately \$33 billion, or 21.4% of total revenues, during 2011—a healthy increase of 15.7% over 2010 levels, according to STR through its Hotel Operating Statistics, or HOST, program.

Hotel class makes a difference for profit levels

Profitability increases during 2011 ranged from 9.3% to 42.3% among the classes. This range can be explained by evaluating the performance of the individual classes. The chart below visually depicts each class' 2011 profitability (net income as a percent of total revenues) and percent change from the previous year. The total U.S. profitability and percent change creates a benchmark.



Based on an HVS study for 2012, for luxury hotel rooms, less partial building & site improvements, less partial soft costs, and less pre-opening capital, the general contractor has estimated a
building/furnishing cost of \$125,000 per room, or \$68,750,000.

MARKET ANALYSIS for RESIDENTIAL RENTALS

In March 2011, Dr. Ivan Miestchovich, University of New Orleans, Institute for Economic Development and Real Estate Research, together with GCR & Associates, Inc, Rebecca Rothenberg, Principal Investigator, and Rafe Rabalais, Senior Planner, and Richard Poche, GIS Specialist, (hereinafter, "Miestchovich/GCR") produced a report entitled, ***New Orleans Market Assessment – A Comprehensive Analysis of Demand and Supply Dynamics***, for the Disaster Recovery Unit in Baton Rouge. Because this report is public property and because it lays out much of the economic groundwork of a market analysis for this project, it is quoted here below, that which is indented below.

TARGETED NICHE MARKETS ARE NECESSARY TO ACHIEVE SUCCESS

"So far, the market has added enough renters to maintain an occupancy rate above 85%, and recent surveys conducted for this project and third party sources show that occupancy rates have increased over the past year, now falling between 88% and 90%. A 93% to 94% average occupancy level typically reflects a more balanced market and is a condition that is achievable within the New Orleans rental market over the next few years under normal growth assumptions for the local and regional economy. Rising occupancy rates and absorption of vacant inventory will also be helped by the relatively low volumes of new units expected to enter the supply pipeline. In short, **the market is signaling caution as we move forward over the next two to three years. This does not mean that the addition of new inventory is not warranted but that its entry should be targeted to fill very specific niches—niches potentially defined by geographical location or price point.** The fact that some rental units are performing better than others suggests that these factors should be examined as part of the due diligence process and that rental demand within the region is not uniform." (page 7)

"Rents and occupancy rates are highest in the CBD/French Quarter, and are stable in Mid-City, Metairie and the west bank of Jefferson Parish. ... There has been a greater level of activity and investment within the core of New Orleans driven significantly by the massive public investment focused on post-storm rebuilding and redevelopment. This has fueled demand for the area as a primary nucleus of economic activity and commerce for the region."

 (page 8)

"Current estimates provided by Nielsen Claritas forecast that 10,000 new renter households will be added to the region over the next five years, a 1.6% annual growth rate. Under this growth scenario, there will still be an excess of rental housing but at much healthier occupancy rates above 90%. These estimates are modest, not taking into account two future economic drivers for the region – the biomedical district expansion in downtown New Orleans and the redevelopment of the Marine Corps Reserve headquarters (Federal City) in Algiers. These two initiatives are investing more than \$3 billion in construction, and according to economic impact analyses commissioned by the BioDistrict and Federal City, should create 12,000 direct jobs and 30,000 jobs overall when both projects have reached maturity." (page 8)

OCCUPANCY RATES GOING UP

“Even with these additions to inventory, the steady return and growth of population and households in the city has helped to drive demand for rental apartments. The result has been an increase in average apartment occupancy to 85.3% at year end 2008 followed by a rise to 86.7% in 2009 and 87.2% at the end of 2010. And, considering the sharp reduction in new construction in the pipeline, **parish wide apartment occupancy rates are likely to continue edging up through 2011 and into 2012. ... The strongest performing sectors are the Uptown, Mid-City and Warehouse District areas**, and as evidenced by our field surveys of small rental properties, the southern portion of the Bywater planning district. Each of these have reported average occupancy rates at or above 92% and have shown consistent improvement since 2008 when the market was confronted with the need to absorb a wave of new inventory additions which continued through much of 2009. These sectors share one significant common trait, namely access to cores of economic activity and employment opportunities. This includes the CBD, the redeveloping medical center and the Uptown (St. Charles Avenue/Magazine Street) corridor. These are all well served by public transit thus making them readily accessible to apartment residents living in these sectors of the market.” (page 34)

“Under current conditions, it is unlikely that there will be a shortage of rental housing in the New Orleans area over the next five years. Therefore, developers cannot rely on demand alone to determine their success but must also factor in their project’s particular attributes related to location, features and target markets ... The French Quarter, Garden District, Uptown, Lakeview and English Turn Planning Districts are the highest priced markets both for homeownership and rental units. What is perhaps more interesting is the change that has occurred in the markets since Hurricane Katrina. The best measure for this would be a comparison of homes categorized by the selling agents as “in excellent condition,” meaning newly remodeled and updated with all systems in working order. This measure is preferred over the complete pool of listed homes due to the glut of homes in poor or below average condition that entered the market after 2005, skewing the results. These data show that the French Quarter, CBD and Bywater all increased in value by 30% to 40% ...” (page 96)

QUALITY OF LIFE INDICATORS NECESSARY TO ACHIEVE HIGHER RATES AND OCCUPANCY

“... as would be expected, the French Quarter and CBD have the greatest concentration of employees, retail opportunities, restaurants and retail earnings. A key indicator for quality of life is one’s ability to live in close proximity to job opportunities. Based on the data, **the majority of jobs in New Orleans are concentrated in the French Quarter/CBD followed by Mid-City and Uptown.”** (page 98-99)

Quality of Life Indicators in the French Quarter/CBD at end of 2010:

% of Pre-Katrina Commercial Properties Currently Active	87.7%
Total retail establishments, restaurants, and grocery stores	930
Earnings – retail establishments, restaurants and grocery stores	\$1,041,089,000
Employees	77,670

“Growth rates and thus housing demand are ultimately driven by an expanding economic base that provides new jobs, fuels increases in household income and attracts greater private investment ... post-storm investments in facilities such as the BioInnovation Center and the Louisiana Cancer Research Center will provide a strategic nucleus for the redeveloping Biomedical District that will be anchored by a new LSU/VA medical center complex.” (page 104)

NEW, HIGHER-PAYING JOBS BRING INCREASED DEMAND FOR LUXURY RESIDENCES

“The current projections estimate an additional 17,180 jobs over the next ten years, with substantial gains in white collar and service industry jobs counterbalanced with significant job loss in blue collar industries. According to these projections, the New Orleans RLMA is slated to gain an additional 28,600 jobs in health care, professional services, education and tourism industries while losing roughly 10,500 jobs in manufacturing, construction, oil and gas and transportation.” (page 105)

“The biomedical district in downtown New Orleans is slated for significant investment within its hospitals and research facilities. **More than \$2 billion has been committed or is currently going towards construction of a new LSU teaching hospital, VA Hospital, the Louisiana Cancer Research Center and an incubator for biomedical research and development (the BioInnovation Center).** A recent economic impact analysis conducted by Dr. James Richardson of LSU provides **conservative estimates of 9,800 direct job growth and an overall job growth of 22,000 attributable to the Biomedical District.** The BioInnovation Center and the Louisiana Cancer Research Center are both scheduled to begin operations in 2011 and the two hospitals are scheduled to **open in 2014** ... Although we currently do not know what the full impact will be from these two initiatives, it is reasonable to assume that the New Orleans area has the potential to exceed the current growth projection of 1.3%. For the high growth scenario, we assume an annual growth rate of 3% for New Orleans and St. Tammany parishes and a 1% growth rate for Jefferson Parish. The success of these

two initiatives will ultimately be based on private investment and corporate relocations, which have more to do with the national economy and the quality of life in New Orleans than the value of construction. With that said, the high growth scenario example illustrates how minor changes in population growth will determine whether or not there will be a surplus or shortfall of rental housing. Using these modestly higher growth rates, and under current projections for construction activity and development, the metropolitan area would have **a potential shortfall of 5,401 rental units by the end of 2015.**" (page 109)

DEMAND AND SUPPLY

The Miestchovich /RGA study also states that the distribution of Family Types by the year 2015 will be over one-half "Non-Family Elderly" (a household of one or more unrelated persons in which head of household is 62 years of age or older) or "Non-Family Non-Elderly" (a household with one or more unrelated persons in which head of household is not 62 years of age or older), in a moderate growth scenario. In a strong growth scenario, which is what they anticipate, **the percentage of Non-Family Elderly and Non-Family Non-Elderly would be nearly 60% of the potential rental pool. That is exactly the target market for the luxury rental units at the World Trade Center.** They then state: "Under a somewhat more aggressive scenario—one that hinges on stronger economic and population growth—the region would have **an apartment deficit of approximately 5,400 units in 2015.** If key potential economic drivers in the region truly take hold—such as the biomedical industry, the film industry, and the Federal City complex—the region could more closely mimic the growth patterns experienced by other southern cities over the past twenty years, thereby producing a stronger rental market than even the high growth scenario within this report."

ASSUMPTIONS FOR RESIDENTIAL UNITS AT CENTER FOR THE AMERICAS

According to Wade R. Ragas, PhD, MAI, SRA, of Real Property Associates, Inc., where the World Trade Center luxury residential rental units will be, in the Historic Center of New Orleans, **the average unit was 855 square feet in 2011 (\$1.41 per square foot), and the occupancy there was 97%.**

According to RentOMeter.com, an Internet site which compares rental rates in neighborhoods all across the country, there are presently 41 **two bedroom rental apartments**, as of March 20, 2013, within .3 mile of our site, and the **average rent for those two bedroom rental units is \$1,925 per month.** The average of the top 20% of those units is \$2,695, and the average of the top 10% of those units is \$3,025. The average rate would be higher if units in the Central Business District, which are less expensive than in the French Quarter where they are considerably higher, were not factored in. **For our two bedroom rental units, we will assume an opening rental rate of \$2,300 for year 1, and a rental rate of \$2,650 for subsequent years.**

According to RentOMeter.com, an Internet site which compares rental rates in neighborhoods all across the country, there are presently 57 **one bedroom rental apartments**, as of March 20, 2013, within .3 mile of our site, and the **average rent for those one bedroom rental units is \$1,560 per month.** The average of the top 20% of those units is \$2,665, and the average of the top 10% of those units is \$2,500. The average rate would be higher if units in the Central Business District, which are less expensive than in the French Quarter where they are

considerably higher, were not factored in. **For our one bedroom rental units, we will assume an opening rental rate of \$2,000 for year 1, and a rental rate of \$2,250 for subsequent years.**

We further estimate one bedroom, one bath rental units to be comprised of 1,000 square feet, and to cost \$200 per square foot to build out, or **\$200,000 per 1 BR/1BA unit cost**. We estimate two bedroom, two bath units to be comprised of 1,200 square feet, and to cost \$200 per square foot to build out, or **\$240,000 per 2BR/2BA unit cost**.

There will be 42 1BR/1BA units, for a total cost of \$8,400,000 construction costs. There will be 46 2BR/2BA units, for a total cost of \$5,520,000 construction costs. **Total construction cost for all units will be \$13,920,000.**

CONCLUSION

As mentioned previously, the most important factor in our analysis of sales potential for the luxury residential units at World Trade Center is the result of the run of new development since Hurricane Katrina, biomedical research and medical care facilities are poised to be pistons of the city's economic engine. Four new projects are located in the city's Biomedical Corridor, adjacent to the CBD. Louisiana State University's new University Medical Center (UMC) broke ground in April of 2011. The \$1-billion center will include a 424-bed teaching hospital and is scheduled for completion in 2015. A new VA hospital—the country's first in 20 years—is expected to include 200 beds and bring 17,000 new jobs to New Orleans when completed in 2014. Work on the Louisiana Cancer Research Center is also underway, with an expected opening date later this year. Finally, the \$46-million, LEED Gold-certified New Orleans Bioinnovation Center, which opened in September of 2011, offers state-of-the-art laboratory, office, and conference facilities that help put New Orleans on the cutting edge of biomedical research; the center is anticipated to bring some 10,000 jobs to the city.

Most of these highly-paid medical professionals will be coming from out of town – to jobs new to New Orleans, not jobs moving from another location – and so those new residents will be looking for upscale housing. The above data shows that many, perhaps as many as a half, will be looking for rentals. Moreover, as the data shows, most current wealthier residents, as well as newcomers to New Orleans, prefer to live in or near the French Quarter, where the housing market is quite expensive and quite limited. There will be significant demand for our units.

PRELIMINARY INCOME PROJECTIONS

LUXURY RESIDENTIAL RENTALS - WORLD TRADE CENTER

year	# units	price/mo.	% rented/cuml.	# rented/cuml.	rental income/income/yr
1	42 1BR	\$2,000	0%	0	0
	46 2BR	\$2,300		0	0
2	42 1BR	\$2,250	0%	0	0
	46 2BR	\$2,650		0	0
3	42 1BR	\$2,250	60%	0	\$ 680,400
	46 2BR	\$2,650		0	\$ 877,680
4	42 1BR	\$2,250	80%	0	\$ 907,200
	46 2BR	\$2,650		0	\$1,170,240
5	42 1BR	\$2,250	90%	0	\$1,077,300
	46 2BR	\$2,650		0	\$1,389,660

MARKET ANALYSIS for RETAIL / RESTAURANTS / LOUNGES / BARS

Tourism in New Orleans

- **Tourism generates \$6 billion for New Orleans' economy** (ref: The New Orleans Metropolitan Convention & Visitors Bureau and the New Orleans' Hospitality Research Center)
- **Tourism employs 70,000 people economy** (ref: The New Orleans Metropolitan Convention & Visitors Bureau)
- **Tourism produces more tax revenues for the city than any other business sector: \$250-300 million/yr. economy** (ref: The New Orleans Metropolitan Convention & Visitors Bureau)
- The visitor experience today is better than it was prior to Katrina with 300 more restaurants than 2005, new cultural attractions, \$400 million of improvements into local hotels, \$250 million of improvements into the Louisiana Superdome and \$92.7 million of improvements into the Morial Convention Center.
- **The number of annual visitors was 9 million in 2012**, up from 3.7 million in 2006. "Reaching a milestone of nine million visitors in 2012 during a tough national economy reinforces that tourism does not just happen on its own, it takes aggressive, cutting-edge sales and marketing strategies," said Stephen Perry, President and CEO of the New Orleans CVB. "The CVB and our partners work together every day to drive New Orleans' \$5 billion tourism industry that employs 75,000 people from every local neighborhood and fuels our state and local economy."
- In January 2010, New Orleans hospitality leaders announced a strategic unified master plan for the tourism industry. The goal of the plan is to attract **13.7 million annual visitors by the city's 300th anniversary in 2018**. If New Orleans meets the master plan goals, the cumulative benefits through 2018 will be dramatic: \$11 billion in direct spending, 33,000 additional jobs with an average salary of \$33,000 a year and \$700 million in tax revenue. Mayor Mitch Landrieu said, "The continued growth of both visitor numbers and spending is a reflection of the hard work of our hospitality industry. I feel confident that we will continue the upward trajectory as we work toward the goal of welcoming 13 million visitors by 2018."
- It was TRAVEL + LEISURE magazine's Destination of the Year in 2009. In its December 2012 edition, TRAVEL+LEISURE magazine tallied 40,000 votes from its readers (travelers all), ranking 25 cities in dozens of categories. **The top ranking city in the USA was New Orleans. It was also voted best in three out of four of its top four individual categories: Singles Scene, Happy Hour, and Music Scene.**
- **There are currently 35,550 hotel rooms in New Orleans.**
- **There are currently 1,105 restaurants in New Orleans.**
- **New Orleans's tourism economic output now stands at No. 3 in the nation**, behind only Las Vegas and Miami (ref: MarketWatch in the Wall Street Journal, December 13, 2011)

Comparing key indicators in 2012 to 2011, the 2012 New Orleans Area Visitor Profile report found:

- Lodging spending increased by 17%
- Restaurant spending increased by nine percent
- Spending in bars and nightclubs jumped by 10.4 percent
- Entertainment/recreation increased by nine percent
- 76.1 percent of visitors surveyed were in New Orleans for vacation/pleasure
- 13.8 percent of visitors surveyed were in New Orleans for association, convention, tradeshow or corporate meetings
- 10.1 percent of visitors surveyed were in town for general business
- 58 percent of business travelers extended their stay for pleasure for an average of 2.1 nights
Cruise visitors comprised about 1.7 percent of the total number of visitor responses, and they stayed an average of two nights in New Orleans before or after their cruise
- The proportion of visitors with income of \$150,000 or more rose to 17.2 percent; 22.3 percent have a household income of over \$100,000
- 41.1 percent of New Orleans visitors were in town for the first time; 58.9 percent were repeat visitors
- Overnight visitation from top feeder markets outside of Louisiana were: Texas, California, Florida and New York
- Visitors age 50–64 made up the largest demographic for 2012 visitors (37.7 percent), followed by 35–49 (29.7 percent), 25–34 (16.9 percent), 65 and older (11.0 percent) and 18–24 (4.7 percent)
- Overnight visitor stays in New Orleans remained the same between 2011 and 2012 at an average of 4.2 nights
- The proportion of overnight visitors staying in a hotel has increased over the past three years, reaching 61.3 percent
- Average party size was 2.9 people
- The majority of visitors who stayed in a hotel made reservations through the hotel website (27.5 percent), or a travel website (22 percent). Twelve percent of visitors called their hotel directly, while eight percent used association housing during their stay in New Orleans.
- The majority of New Orleans area visitors surveyed arrived in their personal vehicle (48.9 percent) or by airplane (46.3 percent)

Retail rates currently asked for in this geographic area:



Retail Space for Lease

New Orleans, Louisiana

Revere Residences is a historic 120 year old building newly renovated into a 6 unit upscale apartment/condo development that features a fantastic...

No. Spaces: 1

Rental Rate: \$30.00

Space Available: 2,065 sf

Bldg. Size: 11,280 sf



Retail Space for Lease

New Orleans, Louisiana

For 94 years, 1201 Canal Street was home to the Krauss Department Store, once the largest department store in the South. Krauss opened for...

No. Spaces: 1

Rental Rate: \$20.00

Space Available: 5,000 sf - 20,000 sf

Bldg. Size: 20,000 sr



Retail Space for Lease

New Orleans, Louisiana

Former Smoothie King/PJs Coffee Retail Space on Elk Place near Canal St at Tulane Medical/Deming Hall Building

No. Spaces: 1

Rental Rate: \$20.00

Space Available: 1,800 sf

Bldg. Size: 300,000 sf



Retail Space for Lease

New Orleans, Louisiana

Excellent Downtown/ French Quarter spots on St. Charles Avenue. Located on one of the busiest streetcar spots for tourists in New Orleans

No. Spaces: 1

Rental Rate: \$35.00

Space Available: 560 sf

Bldg. Size: 560 sf



Retail Space for Lease

New Orleans, Louisiana

This is an excellent fully operating building in a prime location. Zoning: VCE-1, Vieux Carre Entertainment District. Permitted uses include:...
:

No. Spaces: 2

Rental Rate: \$15.00 - \$20.00

Space Available: 6,000 – 12,000 sf

Bldg. Size: 18,555 sf



Retail Space for Lease

New Orleans, Louisiana

Approx. 3,968 sf on groundfloor. " Located between Carondelet and Baronne Sts. downtown.

No. Spaces: 1

Rental Rate: \$30.00

Space Available: 3,968 sr

Bldg. Size: 3,968 sf



Retail Space for Lease

New Orleans, Louisiana

Be a part of the rebirth of the theater District in a one-of-a-kind historic building we all know, 1111 Tulane Avenue. Prime restaurant or retail...

No. Spaces: 2

Rental Rate: \$25.00

Space Available: 1,500-4,245 sf

Bldg. Size: 200,000 sf



Retail Space for Lease

New Orleans, Louisiana

Two historic downtown/CBD buildings at 127-131 Carondelet Street are being redeveloped into a multi-family building with approximately 4,500 sf of...

No. Spaces: 1

Rental Rate: \$24.00

Space Available: 1,400 - 4,500 sf

Bldg. Size: 4,500 sf



Retail Space for Lease

New Orleans, Louisiana

This historic property was recently converted into 108 luxury rental units, a 230 vehicle valet park garage and 10,000+ s.f. of street level...

Status:

No. Spaces: 4

Rental Rate: \$25.00

Space Available: 300-6,316 sf

Bldg. Size: 353,000 sf



Retail Space for Lease

New Orleans, Louisiana

This space is perfect for retailers looking for a Magazine Street address for their business. The demographics surrounding this property are among...

No. Spaces: 1

Rental Rate: \$20.50

Space Available: 1,748 sf

Bldg. Size: 6,236 sf



Retail Space for Lease

New Orleans, Louisiana

Ground floor of the building measures 2,346 square feet and it is currently vacant and immediately available for occupancy. Space can be leased...

Rental Rate: \$19.07

Space Available: 300-2,436 sf



Retail Space for Lease

New Orleans, Louisiana

French Quarter Building Available for Lease- Live and Work in the Quarter 321 Chartres is centrally located in the heart of the French Quarter...

No. Spaces: 1

Rental Rate: \$18.00

Space Available: 2,000 – 8,000 sf

Bldg. Size: 8,000 sf

CONCLUSIONS for World Trade Center' 100,000 sq. ft. of WORLD PLAZA LEVELS RETAIL ~ approximately 75,000 sq. ft. net rentable area ~

Based on the same economic trends in the market analysis, and based on the rental rates in the above properties, which do not begin to compare with the traffic that will be generated in the World Plaza, and based on knowledge of other retail in other cities (including the reputed and surprising new rates of approximately \$300 per square foot to be charged by Howard Hughes Company for tenants at Southstreet Seaport in New York City, as reported by the New York Post ... admittedly very far away and in another world ... but interesting: people will pay what is asked IF they get a good return) – we estimate a fair **initial rental rate of \$35 sq. ft.** at the World Plaza, which will be seamlessly connected to the Spanish Plaza.

Spanish Plaza itself – the current city-owned plaza and the city-leased restaurants there – should continue to be reserved for only the existing corporate retail operations. The other activities at the Spanish Plaza should be:

- Each evening free New Orleans Jazz Concert
- Entertainers, licensed by the city, who will pay no fee, but who must show uniqueness of entertainment (e.g., not just a singer or a poet) unlike what is usually seen and generally not able to be offered for commercial entertainment value, say, at a club (e.g., a sword swallower, or a person who juggles odd items, or a fire eater)
- Artists exhibiting their wares for sale to the public (not galleries or companies), with permits issued by the city just as is done currently for Jackson Square (it could be the same operation by the city, expanded)

Retail at the World Plaza would not be “standard” mall fare. We particularly will be looking for local merchants with the kind of products appropriate to our site, to either begin business or add a second location. Types of retail could include such fares as:

- DINING: pretzels; ice cream, yogurt and gelato; cupcakes; coffee houses (hopefully, another Café du Monde); candy shops; pubs from around the world; raw bars; rib houses; buffalo wings specialties
- ATTRACTIONS: a stage kitchen, possibly broadcast over TV, workshops taught by New Orleans’ top chefs, with audience behind glass seen from outside; a mirror maze; comedy club; olde tyme portraits; Jean Lafite’s pirate ship adventure and experience; “the Mighty Mississippi” sidewalk exploratory tour; authentic representation of a long-ago Barnum & Bailey carousel; live and unique animals; a nightly laser show; once a week fireworks show; dancing fountains at the Spanish Plaza fountain
- NIGHTLIFE: Danny O’Flaherty’s Folk World; beach music; country music; Great Topics of the World (guest speakers at a dinner theater)
- SHOPPING: unusual accessories; jewelry boutiques; T-shirt emporiums; swamp memories and souvenirs; photographic remembrances of New Orleans and southern Louisiana; pet specialties; winery tastings; healthy wearing products; music stores.

LEASING: COMPARABLE OFFICE SPACE IN CBD NEW ORLEANS

The World Trade Center building will have approximately:

- 100,800 SF office space for consulate offices: "Eyes on the World" (4 floors)
- 100,800 SF executive office space for commercial lease (4 floors)
- 3,000 SF executive office space to donated to WTC NO
204,600 SF

Office vacancy rates in New Orleans have seen a slight rise over the past three years, but the balance is set to shift. The table below shows office occupancy in the city from 2007 through 2010.

New Orleans Office Occupancy								
Area	Occupancy			Rental Rates				
	Properties Reporting	Available Space	Occupancy Rate	Change	Properties Reporting	Asking Rent	Change	
2007	208	18,998,391	90.5 %	—	179	\$ 15.72	—	
2008	174	15,841,419	90.3	(0.2) %	150	16.19	3.0 %	
2009	210	18,976,531	87.5	(3.1)	169	15.77	(2.6)	
2010	198	19,512,751	87.2	(0.3)	168	15.85	0.5	

Source: University of New Orleans, Institute for Economic Development & Real Estate Research

In September of 2011, Ochsner Health System announced plans to lease 80,000 square feet and bring up to 1,000 workers to Benson Tower, putting the building at over 90% occupancy. The former Hibernia Bank building is also under renovation to become a mixed-use complex of residential, retail, and office space. The Plaza Tower, a fixture of New Orleans' downtown skyline that has been vacant since Katrina, sold at auction in December of 2011; Plaza Tower Development plans to transform the building into a mix of offices, condos, and shops. In June, the city is scheduled to complete a \$34.5-million extension of the Canal Street streetcar line along Loyola Boulevard adjacent to the Plaza Tower, which is expected to spur further growth along the corridor.

Other developments include the \$300-million expansion of the National World War II Museum, to be completed in 2015; a \$30.5-million HUD grant to redevelop the Iberville Housing Project and an adjacent portion of the Canal Street retail corridor; and the renovation and recent re-opening of the Joy Theater.

COMPARABLE CURRENT RATES FOR SIMILAR OFFICE SPACE IN NEW ORLEANS CBD:



Office for Lease - URS Building

New Orleans, Louisiana

There is parking available in the adjacent parking lot for \$170 per month per space. Suites 801 and 802 and 801 and 802 may be combined.

Rental Rate: \$13.75 - \$16.00

Space Available: 1,193 – 11,759SF

Bldg. Size: 117,000 SF



Office for Lease - One Canal Place

New Orleans, Louisiana

One Canal Place is a 32-story office complex located at the foot of Canal Street, in the heart of the Central Business & Maritime Districts...

Rental Rate: Negotiable

Space Available: 641 – 80,000 SF

Bldg. Size: 650,000 SF



Office for Lease - 1515 Poydras

New Orleans, Louisiana

1515 and 1555 Poydras are Class A office towers with superior access and highly desirable amenities. The combination of currently available high...

Rental Rate: \$17.50

Space Available: 567 – 22,679 SF

Bldg. Size: 529,474 SF

Primary Type:



Office for Lease - K&B Plaza

New Orleans, Louisiana

Office Building or Contemporary Art Museum? Both exist within the Class A confines of K&B Plaza. Unique and inspiring office environment right...

Rental Rate: \$18.50

Space Available: 2,500 – 10,501 SF

Bldg. Size: 70,000 SR



Office for Lease - Smith Lupo Center

New Orleans, Louisiana

Located in the West Lakeshore Shopping Center, the Smith Lupo Center is conveniently located in the safe Lakeshore community and offers many...

Rental Rate: \$17.00

Space Available: 2,060 SF

Bldg. Size: 38,941 SF



Office for Lease - 6600 Plaza Drive

New Orleans, Louisiana

Six Story Office Building. Space available from 2500sf to 18000sf Available May 2006 or sooner subject to utility services.

Rental Rate: \$15.00

Space Available: 2,000 – 60,000 SF

Bldg. Size: 120,000 SF



Office for Lease - 228 St. Charles Avenue

New Orleans, Louisiana

The landmark Whitney National Bank building. The best location and value in downtown New Orleans.

Rental Rate: \$15.50

Space Available: 500 – 7,500 SF

Bldg. Size: 447,744 SF



Office for Lease - Poydras Center

New Orleans, Louisiana

650 Poydras was designed by Smallwood, Reynolds, Stewart and Stewart design firm. An exterior skin of ribbed precast panels with gray tinted...

Rental Rate: \$17.75 - \$18.00

Space Available: 544 – 5,134 SF

Bldg. Size: 45,043 SF



Office for Lease - 701 Loyola Tower

New Orleans, Louisiana

Fourteen (14) story office tower with secured lobby, competitive rental rates, and TI allowances available depending on lease terms and rental...

Rental Rate: \$11.00 - \$13.50

Space Available: 266 – 18,723 SF

Bldg. Size: 286,560 SF



Office for Lease - Energy Centre

New Orleans, Louisiana

The Energy Centre is a thirty-nine story, 761,500 square foot office building with 24,000 square feet floor plates. Completed in 1984, the...

Rental Rate: \$17.50 - \$19.50

Space Available: 839 – 23,885 SF

Bldg. Size: 761,500 SF



Office for Lease - First Bank and Trust Tower

New Orleans, Louisiana

The First Bank and Trust Tower is truly one of the finest office assets in the New Orleans Central Business District. Building amenities include...

Rental Rate: \$18.00 - \$18.25

Space Available: 2,453 – 13,163 SF

Bldg. Size: 45,476 SF



Office for Lease - Pan American Building Sublease

New Orleans, Louisiana

Sublease space in the best building Downtown with 7 years of term remaining. Gorgeous buildout completed in 2008. Very attractive, modern...

Rental Rate: \$15.00

Space Available: 12,673 S

Bldg. Size: 682,087 SF



Office for Lease - 400 Poydras Tower

New Orleans, Louisiana

400 Poydras Tower is located in the heart of the action of the New Orleans CBD at Magazine and Poydras. The building boasts one of the best...

Rental Rate: \$16.50 - \$18.00

Space Available: 1,107 – 22,594 SF

Bldg. Size: 108,413 SF



Office for Lease - K&B Plaza

New Orleans, Louisiana

Abundant, secured covered parking, High quality finishes, Food service, ATM machine, Car detail service, Sundry shop, Copy center, On-site...

Rental Rate: \$19.00

Space Available: 10,501 SF

Bldg. Size: 70,00 SF



Office for Lease - BENSON TOWER

New Orleans, Louisiana

Be a part in the rebirth of 1450 Poydras! spectacular renovation of New Orleans' Benson Tower. Next to the world famous Louisiana Superdome home...

Rental Rate: \$18.00

Space Available: 4,268 – 8,739 SF

Bldg. Size: 488,000 SF



Office for Lease - Pan American Life Center

New Orleans, Louisiana

Pan-American life Center is a granite-clad, Class A trophy office tower located in the New Orleans Central Business District. Pan-American Life...

Rental Rate: \$18.50

Space Available: 2,125 – 58,084 SF

Bldg. Size: 673,000 SF



Office for Lease - Place St. Charles

New Orleans, Louisiana

Located in the heart of New Orleans financial district, Place St. Charles is the premier office tower in the Central Business District. With...

Rental Rate: N/A

Space Available: 1,151 – 24,633 SF

Bldg. Size: 79,539 SF



Office for Lease - Marine Building

New Orleans, Louisiana

6 story office building located renovated after Hurricane Katrina. Lots of parking provide in rear of building with overflow lot; two elevators;...

Rental Rate: \$15.00 - \$15.50

Space Available: 400 -22,000 SF

Bldg. Size: 45,000 SF



Office for Lease - 1555 Poydras

New Orleans, Louisiana

1515 and 1555 Poydras are Class A office towers with superior access and highly desirable amenities. The combination of currently available high...

Rental Rate: \$17.50

Space Available: 1,109 – 21,611 SF

Bldg. Size: 467,671 SF



Office for Lease - Poydras Center

New Orleans, Louisiana

14 Private Offices

Rental Rate: \$13.50

Space Available: 9,081 SF

Bldg. Size: 453,255 SF

CONCLUSION

The office space offered at the World Trade Center will be among the best in New Orleans. Current upper rates in the central business district range from \$17.50 to \$19.50. We plan to initially offer World Trade Center **office space for \$18.00 per sq. ft.**

LEASING: World Trade Center New Orleans

We will offer a ten-year, free lease of 3,000 sq. ft. of office space to the World Trade Center New Orleans. WTCNO enhances the city, increases its tourism, builds its prestige, and adds to jobs in the city and parish. The offer is for the lease to begin when their current lease shall expire. Rent will be free for ten years, and they will receive warm, lit space, i.e., empty wall-to-wall, so that tenant build-out will be their responsibility. They will also be responsible for their share of common area maintenance (CAM).

This will result in (3,000 sq. ft. X \$18.00=) an **annual donation in the equivalent of \$54,000.**

LEASING: 100,800 net sq. ft. CONSULATES / EYES ON THE WORLD (4 floors)

There is dedicated to the Eyes on the World, four floors, each approximately 25,200 sq. ft., for a total **leasable space of 100,800 sq. ft. at \$18.00 per sq. ft.** Because it will be impossible to lease this space to foreign embassies until after the completion of the contract between ourselves and the city, after the design, and then approximately a year to lease space, and another year to design and build. Therefore, the Eyes on the World will not open until Year 4. When it opens, approximately 75% of the full space will be leased, with the remaining 25% the following year.

LEASING: 100,800 net sq. ft. of EXECUTIVE OFFICE SPACE (4 floors)

Four floors will be available for commercial office lease, approximately 100,800 sq. ft. Lease rates will be \$18 per sq. ft. There will be a professional local leasing company handling these leases on the owners' behalf.

EYES ON THE WORLD PAYING CUSTOMERS

Attractions cost money in New Orleans, as elsewhere. Here are some of the tourism costs in New Orleans:

Grand Tour of Cajun Country	\$150.99
Steamboat Natchez Evening Jazz Cruise	\$67.99
Small-Group Airboat Ride & Plantation Tour	\$139.99
Swamp and Bayou Sightseeing Tour	\$48.99
New Orleans Hop-On Hop-Off City Tour	\$35.99
Small-Group Bayou Airboat Ride/bus from NO	\$99.99
City Tour & Steamboat Natchez Harbor Cruise	\$62.99
New Orleans Power Pass	\$69.99
Westbank Plantation tour	\$90.99
New Orleans French Quarter Segway Tour	\$65.00
Small-Group Tour: NO Past & Present	\$74.99
New Orleans Original Cocktail Walking Tour	\$28.99
Steamboat Natchez Harbor Cruise	\$24.99
New Orleans Cooking Class	\$23.99
Garden District Walking Tour	\$25.99
Post Hurricane Katrina Tour	\$69.99
New Orleans Cemetery & Voodoo Walking Tour	\$25.99
Small-Group LA Plantations Tour from NO	\$90.99
New Orleans Haunted Walking Tour	\$25.00
New Orleans City Bus Tour	\$42.99
French Quarter Walking Tour	\$24.99
New Orleans Big Easy Jazz tour	\$48.99
Jazz Brunch Buffet at Court of Two Sisters	\$32.00
Small-Group Architectural Tour of NO	\$74.99
Shore Excursion: Post-Cruise & Half Day Airboat	\$139.99
French Quarter MP3 Audio Walking Tour	\$10.99
Pirate History Walking Tour	\$26.99
National WWII Memorial	\$22.00
Audubon Park	free
Preservation Hall	free
Audubon Zoo	\$22.50
Mardi Gras World	\$19.95
Audubon Insectarium	\$16.50
Audubon Aquarium of the Americas	\$22.50

In order to begin easy, we intend to stay in the lower range of attractions and to charge a **\$10.00 entrance fee** for the Eyes on the World Tour of Nations.

2. Pro Forma Development Budget and Operating Projections

CASH FLOW - DEVELOPMENT/CONSTRUCTION PERIOD				
Category	Year 1	Year 2	Year 3 *	Year 4
EXPENSES				
Hard costs: gut bldg. ¹¹	\$1,500,000			
Hard costs: exterior coat ²²	\$2,000,000			
Hard costs: redo mchancis ³³	\$4,000,000	\$4,000,000		
Hard costs: Wrd Plz ground ⁴⁴	\$1,000,000			
Hard costs: World Plaza ⁵⁵	\$1,000,000	\$7,000,000	\$6,500,000	
Hard costs: all hotel ⁶⁶		\$30,000,000	\$30,000,000	\$8,750,000
Hard costs: roof pools ⁷⁷			\$1,500,000	
Hard costs: rooftop bars ⁸⁸	\$1,000,000	\$3,000,000	\$3,000,000	
Hard costs: Eyes/World ⁹⁹		\$2,000,000	\$4,000,000	\$4,000,000
Haed costs: residential ¹¹¹	\$440,000	\$4,750,000	\$4,750,000	\$9,500,000
Hard costs: office ²²²		\$2,080,000	\$4,000,000	\$4,000,000
Hard costs: special office ³³³		\$750,000	\$500,000	
Hard costs: parking ⁴⁴⁴	\$1,500,000	\$1,250,000	\$1,250,000	
Hard costs: monument ⁵⁵⁵	\$1,000,000	\$500,000		
Hard costs: 4 retail bars ⁶⁶⁶		\$3,500,000	\$2,500,000	
Total Hard Construction	\$12,440,000	\$58,830,000	\$58,000,000	\$26,250,000
Other operating costs ⁷⁷⁷	\$622,000	\$2,941,500	\$2,900,000	\$1,312,500
Development fees ⁸⁸⁸	\$373,200	\$1,764,900	\$1,740,000	\$787,500
Design by all firms ⁹⁹⁹	\$622,000	\$2,941,500	\$2,900,000	\$1,312,500
One-Time pymt. To NOBC	\$1,250,000	\$1,250,000	\$1,250,000	\$1,250,000
Total Expenses	\$15,307,200	\$67,727,900	\$66,790,000	\$30,912,500
				\$180,737,600
SOURCES OF FINANCING				
Construction loan ¹¹¹¹	\$108,442,560			
Permanent Financing ²²²²				\$142,452,958
Equity ³³³³	\$18,073,760			
Tax Credits ⁴⁴⁴⁴	\$54,221,280			
Total Revenue	\$180,737,600	\$0	\$0	\$142,452,958

* Year 3 of development/construction is Year 1 of limited operation.

Notes to Cash Flow – Development/Construction Period Spreadsheet

- ¹¹ \$1,500,000 to gut the building, including removing all siding from first three floors. Construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has decades of experience with such costs in New Orleans.
- ²² Exterior coating involves removing the slats from the exterior of the windows, cleaning and checking securing of windows, cleaning and tightening and coloring concrete, and adding lighting.
- ³³ Mechanical re-dos are the reconditioning and refurbishing of elevator cabs, motors and computers, plus the motor on revolving restaurant and the escalators. These construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has decades of experience with such costs in New Orleans.
- ⁴⁴ Open up World Plaza by removing lower three floors of building exterior walls, creating hardscape up to and including sidewalk on Convention Center Boulevard. This is the cost to connect the base/floor and tiering necessary bringing Spanish Plaza flooring throughout lower two floors of building and up to and including sidewalk on Convention Center Boulevard.
- ⁵⁵ Extensive recondition of World Plaza, with lush landscaping, shading, and possibly a large stage at the riverside wing of the WTC building, 3rd floor overlooking Spanish Plaza fountain. Creation of retail environment for stores.
- ⁶⁶ Hotel costs. Based on an HVS study for 2012, for luxury hotel rooms, less partial building & site improvements, less partial soft costs, and less pre-opening capital, the general contractor has estimated a **building/furnishing cost of \$125,000 per room, or \$68,750,000.**
- ⁷⁷ Either on the rooftop on one wing of the building or on the third floor platform over the tracks will be a lushly landscaped pool complex for hotel and residential guests. These construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has decades of experience with such costs in New Orleans.
- ⁸⁸ Top floor revolving bar/lounge, plus complete 30,000 sq. ft. restaurant/banquet floor below, plus outdoor roof lounge/bar on one wing. These construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has experience with such costs in New Orleans.
- ⁹⁹ Construction costs estimated at \$100 sq. ft., exclusive of individual nations' showcase buildouts, which they will pay for, using our design team and general contractor. This cost is just the finished open space ready for tenants.
- ¹¹¹ Four floors of residential rental units. Finish two models (1BR and 2BR), and build others on build out based on rental projections. 42 1BR/1BA models, 1,000 sf, cost \$200 per sq. ft. to build out (\$200,000 each) = \$8,400,000 for 42 1BR units. 46 2BR/2BA units, 1,200 sf, cost \$200 per sq. ft. to build out (\$480,000 each) = \$11,040,000 for 46 2BR units. Total construction costs: \$19,440,000. Information taken from Market analysis, above. For these upper end units, we anticipate a three year buildup period.

²²² Four floors of Class A office space: approximately 25,200 sq. ft. per floor, a total of 100,800 sq. ft. Construction costs at \$100 sq. ft., a total of \$10,080,000. Tenant lease-out is estimated at four years.

³³³ 3,000 sq. ft. office space, "warm lit space" - no interior walls or finishings; tenants to finish space. The executive offices of the development company will occupy the remaining 3,500 sq. ft. of the same wing of Floor 3 as will be occupied by the WTC, that wing closest to Convention Center Boulevard, and the executive offices will be finished space. These construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has decades of experience with such costs in New Orleans.

⁴⁴⁴ Build parking garage - for purposes today we estimate to be a ground level entrance court and a spiral drive link to the four parking floors in the WTC building (used for parking there). As noted, this could change after negotiations with the city.

⁵⁵⁵ One large glass structure with huge video of history of New Orleans, and monument with inscription (see earlier description in proposal). These construction costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has decades of experience with such costs in New Orleans.

⁶⁶⁶ Retail bars are part of the anchor to the World Plaza. They will be unique and highly visible from outside the bars themselves, with open windows to let the music out. Costs are estimated at \$6,000,000.

⁷⁷⁷ Other Operating Costs include: Professional fees, Construction Management fees, Contingency, and Operating costs @ 5% of \$155,520,000, or \$7,776,000.

⁸⁸⁸ Development fees: 3% of construction costs until conclusion of construction, or a total of \$4,665,600.

⁹⁹⁹ Design includes all architecture, interior design, and landscape design. It includes both our design firm, WATG and Perez. It is estimated at 5% of \$155,520,000 construction costs, or \$9,065,500.

¹¹¹¹ Construction loan in the amount of \$108,442,560 will be taken out by permanent financing upon the issuance of a certificate of occupancy by the city of New Orleans. The development/construction period financing will reflect an accrued interest of 10% for a period of four and a half years.

²²²² **PERMANENT LOAN in the amount of \$142,452,958 at 7%, amortized over 20 years, both pays off the construction loan (at 7%) and buys out the equity investor (at 20%).**

This amount includes **EQUITY PAYOFF:** Year ½ expends \$1,530,720 in equity principle + 20% accrued interest ½ year = \$1,683,729. Year 2 expends \$6,772,790 in equity principle plus last year's carried amount of \$1,683,729, or \$8,456,582 plus 20% interest 2 for year = \$10,147,898. Year 3 expends \$6,679,000 in equity principle plus last year's carried amount of \$10,147,898, or \$16,826,898 plus 20% interest for year 3 = \$20,192,278 LESS \$5,000,000 equity curtailment made at the end of year 3 ... bringing forward \$15,192,278. Year 4 expends \$3,091,250 in equity principle plus last year's carried amount of \$15,192,278, or \$18,283,528 plus 20% interest for year 4 = \$21,940,234 LESS an additional \$7,000,000 equity curtailment made at the end of year 4 ... **bringing forward \$14,940,234 to be wrapped into the permanent loan.**

The **CONSTRUCTION LOAN PAYOFF** is similarly calculated: Year ½ expends \$9,184,320 (60% of Year 1's total expenditures of \$15,307,200) in construction loan principle + 7% accrued interest ½ year = \$9,827,222. Year 2 expends \$40,636,740 (60% of Year 2's total expenditures of \$67,727,900) in construction loan principle plus last year's carried amount of \$9,827,222, or \$50,463,962 plus 7% interest 2 for year = \$53,996,439. Year 3 expends \$40,074,000 (60% of Year 3's total expenditures of \$66,790,000) in construction loan principle plus last year's carried amount of \$53,966,439, or \$94,040,439 plus 7% interest for year 3 = \$100,623,270. Year 4 expends \$18,547,500 (60% of Year 4's total expenditures of \$30,912,500) in construction loan principle plus last year's carried amount of \$100,623,270, or \$18,283,528 plus 7% interest for year 4 ... **bringing forward \$127,512,724 to be wrapped into the permanent loan.**

The permanent loan is the sum of the construction loan payoff of \$127,512,724 and the equity investment buy out of \$14,940,234: \$142,452,958.

Monthly payment on the permanent loan will be \$1,104,436 per month, or \$13,253,235 per year.

³³³³ Equity is 10% of total costs.

⁴⁴⁴⁴ Tax Credits estimated at 40% of costs. However, legal and other preparation, plus discount at sale may bring the net down as much as 10%, so we are estimating a conservative net of 30%.

OPERATIONAL PHASE OF WORLD TRADE CENTER REDEVELOPMENT

Revenue	% of Rev.	yr 1	yr 2	year 3	year 4	year 5
Hotel ¹		-	-	26,699,750	30,112,500	34,529,000
Hotel Restaurants/Banquets ²		-	-	3,285,000	3,449,250	3,621,713
Hotel Bars ²		-	-	3,285,000	3,449,250	3,621,713
Residential leases ³		-	-	1,138,800	2,479,200	2,603,160
Parking ⁴		-	-	1,000,000	1,000,000	1,000,000
Plaza Retail ⁵		-	-	2,362,500	2,362,500	2,362,500
Office Leases ⁶		-	-	-	1,814,400	2,721,600
Eyes on World Admissions ⁷		-	-	-	4,500,000	4,500,000
				37,771,050	49,167,100	54,959,685
Expenses						
Hotel ¹	80%	-	-	21,359,800	24,090,000	27,623,200
Hotel Restaurants/Banquets ²	80%	-	-	2,628,000	2,759,400	2,897,370
Hotel Bars ²	75%	-	-	2,463,750	2,586,938	2,716,284
Residential leases ³	15%	-	-	170,820	371,880	390,474
Parking ⁴	35%	-	-	350,000	350,000	350,000
Plaza Retail ⁵	65%	-	-	1,535,625	1,535,625	1,535,625
Office Leases ⁶	35%	-	-	-	635,040	952,560
Eyes on World Admissions ⁷	30%	-	-	-	1,350,000	1,350,000
Lease Payment to NOLA ⁸		-	-			1,500,000
Replacement Reserve @ 4% ⁹				-	1,966,684	2,198,387
Bldg Mngt Fee @ 3% ¹⁰		-	-	1,133,132	1,475,013	1,648,791
				29,641,127	37,120,580	43,162,691
Profit before Int/Dep Exp				8,129,924	12,046,521	11,796,994

Profit before Int/Dep Exp	8,129,924	12,046,521	11,796,994
Permanent Mortgage pymt. @ 7% ²²²²	-	-	13,253,235
Profit after mortgage payments	\$8,129,924	\$12,046,521	-\$1,456,241
Tax @30%	2,438,977	3,613,956	-\$436,872
Equity Curtailments	5,000,000	7,000,000	
Net After Tax	690,946	1,432,564	-\$1,019,369
 Depreciation Expense (39 yr SL)	 5,128,205	 5,128,205	 5,128,205

OPERATIONAL PHASE OF WORLD TRADE CENTER REDEVELOPMENT

Revenue	year 6	year 7	year 8	year 9	year 10
Hotel ¹	38,393,438	40,313,110	42,328,765	44,445,204	46,667,464
Hotel Restaurants/Banquets ²	3,802,798	3,992,938	4,192,585	4,402,214	4,622,325
Hotel Bars ²	3,802,798	3,992,938	4,192,585	4,402,214	4,622,325
Residential leases ³	2,733,318	4,099,977	6,149,966	9,224,948	13,837,422
Parking ⁴	1,050,000	1,102,500	1,157,625	1,215,506	1,276,282
Plaza Retail ⁵	2,362,500	2,362,500	2,480,625	2,480,625	2,480,625
Office Leases ⁶	3,265,920	3,265,920	3,265,920	3,807,216	3,807,216
Eyes on World Admissions ⁷	4,500,000	4,500,000	6,775,000	6,775,000	6,775,000
	59,910,772	63,629,883	70,543,071	76,752,928	84,088,659
Expenses					
Hotel ¹	30,714,750	32,250,488	33,863,012	35,556,163	37,333,971
Hotel Restaurants/Banquets ²	3,042,239	3,194,350	3,354,068	3,521,771	3,697,860
Hotel Bars ²	2,852,099	2,994,704	3,144,439	3,301,661	3,466,744
Residential leases ³	409,998	614,997	922,495	1,383,742	2,075,613
Parking ⁴	367,500	385,875	405,169	425,427	446,699
Plaza Retail ⁵	1,535,625	1,535,625	1,612,406	1,612,406	1,612,406
Office Leases ⁶	1,143,072	1,143,072	1,143,072	1,332,526	1,332,526
Eyes on World Admissions ⁷	1,350,000	1,350,000	2,032,500	2,032,500	2,032,500
Lease Payment to NOLA ⁸	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Replacement Reserve @ 4% ⁹	2,396,431	2,545,195	2,821,723	3,070,117	3,363,546
Bldg Mngt Fee @ 3% ¹⁰	1,797,323	1,908,896	2,116,292	2,302,588	2,522,660
	47,109,036	49,423,202	52,915,176	56,038,901	59,384,525
Profit before Int/Dep Exp	12,801,736	14,206,681	17,627,895	20,714,026	24,704,134

Profit before Int/Dep Exp	12,801,736	14,206,681	17,627,895	20,714,026	24,704,134
Permanent Mortgage pymt. @ 7% 2222	13,253,235	13,253,235	13,253,235	13,253,235	13,253,235
Profit after mortgage payments	-\$451,499	\$953,446	\$4,374,660	\$7,460,791	\$11,450,899
Tax @30%	0	286,034	1,312,398	2,238,237	3,435,270
Net After Tax	-\$451,499	667,412	3,062,262	5,222,554	8,015,629
Deprect.Exp. (39 yr)	5,128,205	5,128,205	5,128,205	5,128,205	5,128,205

Notes to the 10 year Revenue / Expenses Spreadsheet:

¹ **LUXURY HOTEL:** 550 rooms, est. 500 sq. ft. each, including lobby, public spaces meeting rooms. Based on an HVS study for 2012, for luxury hotel rooms, less partial building & site improvements, less partial soft costs, and less pre-opening capital, the general contractor has estimated a **building/furnishing cost of \$150,000 per room, or \$82,500,000.**

RATES: Assume a conservative seasoned rate of \$225, with a first (operational) year (third actual year) rate of \$190, a second year rate of \$200, a third year rate of \$215, and a fourth/established year rate of \$225 for our luxury hotel room rate. We assume rates will rise thereafter at 5% annually.

We assume expenses are 80% of income, which includes the contract with a hotel management firm.

OCCUPANCY: Based on the facts noted above and on the assumption of both compelling marketing for the hotel and much free publicity deriving from the noteworthiness of this grand development, we will assume a 4 year buildup period for the hotel, with **first year occupancy at 70%, second year occupancy at 75%, third year occupancy at 80%, fourth year occupancy at 85%, and established thereafter at that 85%.**

This, then, based on these assumptions, will produce income as shown on the following chart. And we estimate the **cost of operations at the hotel at 82.5% of gross income**, a standard industry number.

PRELIMINARY INCOME PROJECTIONS

LUXURY HOTEL AT WORLD TRADE CENTER

Year	# rooms	rate	occupancy	daily gross	annual gross
3	550	\$190	70%	\$ 73,150	\$ 26,699,750
4	550	\$200	75%	\$ 82,500	\$ 30,112,500
5	550	\$215	80%	\$ 94,600	\$ 34,529,000
6/established	550	\$225	85%	\$105,188	\$ 38,393,438

² **RESTAURANTS & BARS:** Estimate 300 guests per day year 1 and 2, each spending \$30 per meal = \$3,285,000 gross per year first year, increasing by 5% per year thereafter. Estimate 400 revolving bar patrons per day year 1, each spending \$22.50 per visit = \$3,285,000 gross per year first year, increasing by 5% per year thereafter.

Estimate restaurant costs at 80% of gross. Estimate bar costs at 75% of gross. Estimate restaurant and bar costs to rise 5% per year after establishment.

³ RESIDENTIAL RENTAL INCOME is based on the following chart from the marketing analysis above, with no rent raised for the period shown. Rental lease income is expected to rise by 5% after establishment.

Residential rental expenses are estimated at 15%, including management contract company, maintenance, marketing and commissions. Residential rental expenses are expected to rise by 3% after establishment.

PRELIMINARY INCOME PROJECTIONS LUXURY RESIDENTIAL RENTALS - WORLD TRADE CENTER

year	# units	price/mo.	% rented/cuml.	# rented/cuml.	rental income/income/yr
1	42 1BR	\$2,000	50%	21	\$ 504,000
	23 2BR	\$2,300		23	\$ 634,800
2	42 1BR	\$2,250	95%	40	\$1,080,000
	23 2BR	\$2,650		44	\$1,399,200

⁴ PARKING: This is a completely unknown quantity. We simply pick the number the World Trade Center personnel told us: when they had control of the parking garage built for this WTC building, they leased it to Hilton Hotel, got free parking for their own employees and other guests to the WTC building, and still made \$1 million per year. It is not the best number ... but since there is no number possible, it is the best we have: **\$1 million per year**. Staffing costs to park cars 35%. Income increases by 5% after year 5, and expenses increase by 4% after year 5.

⁵ PLAZA RETAIL LEASES will be at the rate of **\$35 sq. ft. for 75,000 sq. ft.** of net space. Increases 5% each five years. Retail expenses are calculated at 65% of income. Occupancy estimated at 90%.

⁶ OFFICE LEASES: Eyes on the World consulate leases: 100,800 sq. ft. at \$18.00 per sq. ft. plus an additional four floors of Class A office leases (100,800 sq. ft.) at \$18.00 sq. ft. **201,600 sq. ft. of leased space @ \$18.00 sq. ft. = \$3,628,800 annually when fully leased.** We anticipate leasing 0% of the space the first year, 50% the second year, 75% the third year, and 90% the fourth and subsequent years. Rents to increase each 5 years by 5%. Expenses at 35% of revenue.

Four floors office space, extensively designed with nations of the world each building their own national exhibit, 4 floors, approximately 40 exhibits per floor, depending on size of the nation and what they choose to rent, with development company finishing interiors and central (to each wing, 4 per floor) lounge/stage areas. An additional four floors of office space for lease to commercial companies. The construction costs are what the development company estimates it will spend on limited interior finishings, with final architecture (by our architect) and construction (by our construction contractor) paid by the leasing nation. These costs are estimated by Allen McDonnel, president of The McDonnel Group, who will be the general contractor on this project, and who has

decades of experience with such costs in New Orleans.

⁷ **EYES ON THE WORLD ADMISSION FEES:** Tourism brings in 9 million visitors to New Orleans each year. It is anticipated that at least half of those, 4,500,000 will be in this vortex of visitors that will be this business and retail site, and will visit the World Trade Center, and that only 10% of those will tour the Eyes on the World, or **450,000 visitors per year**. We will not begin this Tour of the Nations until the Eyes on the World is fully (95%) leased and operational, thus estimating the second year after the World Trade Center redevelopment will have opened. **Fees will be \$10 per person.** Because 60% of the tourists coming to New Orleans make under \$100,000 per year, a lower price attraction will attract greater numbers of attendees.

Getting the embassies to open consulates is slower than normal leasing, so this entity will not open until the second year of operation of the World Trade Center building.

The **cost is estimated at 30% of the income from admittance fees**, and covers staffing, ticket sales, marketing and advertising, maintenance, management contract, reserve for remodeling.

⁸ **LEASE PAYMENTS TO NOLA:** \$1,250,000 per year, for four years, is our offered lease payment to the city of New Orleans.

⁹ Buildings wear out and begin to look worn. They need to be remodeled each 10 to 12 years. We set aside a **4% REPLACEMENT RESERVE** each year for this remodeling of the facility and its parts.

¹⁰ **BUILDING MANAGEMENT FEE:** 3% of revenue, but not the hotel which will be under separate management .

3. Proposed Financing and Financing Sources and Uses

James H. Burch LLC has secured the preliminary commitment for equity and construction loan, contingent upon satisfactory negotiations with NOBC, as specified in the RFP, for the equity needed and the construction loan amount needed for redevelopment of the World Trade Center building and site. Through our construction manager/owner rep company, whose many other buildings have been financed through Columbia National of Columbia, Maryland, this financing company has pledged to work with us, and has made themselves available at this point.

We intend to secure equity cash from Columbia National equal to ten percent (10%) of the funds necessary – at this time estimated to be \$18,073,760, and we intend to have them arrange the construction loan currently estimated to be \$108,442,560 and the permanent financing mortgage currently estimated to be \$171,921,458 through Columbia National. They have \$6 billion in arranged loans at this time.

Sources of Construction Financing		
Source	Percent	Amount
Tax Credits	30% (net)	\$ 54,221,280
Equity	10%	\$ 18,073,760
Construction Loan	60%	\$108,442,560
Total	100%	\$180,737,600

Amortization of Principal Financing	
Loan Amount	\$142,452,958
Number of Payments	240
Annual Interest Rate	7%
Monthly Payment	\$1,104,436
First Year Totals	\$13,253,235

Tax Credits

Federal Historic Preservation Tax Credit {FHTC} and Deductions

A 20% federal income tax credit is potentially available for the rehabilitation of historic, income-producing buildings that are determined by the U.S. Secretary of the Interior, through the National Park Service, to be "certified historic structures" or as contributing to a future federal historic district. This process is expected to take from six months to one year to accomplish. This subject building was constructed from 1963 to 1967. It is approximately 850,000 square feet of space.

Approximately \$193,070,266 in costs is estimated at this time, prior to final negotiations with NOBC and thus prior to final details, could potentially qualify as "qualified rehabilitation expenditures," and therefore be eligible for the 20% Federal Historic Renovation Tax Credit. This would be \$38,614,053. At an estimated gross sales price of \$0.96/\$1.00 in tax credits, the net benefit from this federal tax credit is projected to be approximately \$35,524,929. This amount should be able to be monetized at the Closing of the Project, utilizing available tax credit bridge loan financing.

In addition, a federal income tax deduction may be available for the creation and donation to an eligible nonprofit entity of a historic preservation easement to permanently protect this existing historic property and to limit future development of the Project site. Because this property would remain in public ownership, yet the improvements be allowable as deductions for our non-public entity, there remains some speculation about this particular deduction. Thus, this potential Federal income tax deduction has not been included as a source of

funding for this development that would be available at Closing.

State Historic Preservation Tax Credit (SHTC) and Deductions

A 25% state income tax credit is currently available for the rehabilitation of historic, income-producing buildings that are determined by the State Historic Preservation Office (SHPO) to be "certified historic structures" within a state cultural district. As mentioned above, the World Trade Center building was constructed from 1963 to 1967 and totals approximately 850,000 gross square feet of space. \$19,307,026 of the Project's renovation costs should qualify as "qualified rehabilitation expenditures," and therefore be eligible for the 25% State Historic Renovation Tax Credit, or \$19,307,026. At an estimated gross sales price of \$0.80/\$1.00 in tax credits, the net benefit from this state tax credit is projected to be approximately \$15,445,621. This amount should be able to be monetized at the Closing of the Project, utilizing available tax credit bridge loan financing.

In addition, a state income tax deduction potentially may be available for the creation and donation to an eligible nonprofit entity of a historic preservation easement to permanently protect this existing historic property and to limit future development of the Project site. Because this property would remain in public ownership, yet the improvements be allowable as deductions for our non-public entity, there remains some speculation about this particular deduction. Thus, this potential Federal income tax deduction has not been included as a source of funding for this development that would be available at Closing.

Other Available Tax Credits

There are a myriad of other tax credits available for this site, all depending upon what final plans will be and upon which will apply, not to the owner (the city being a public entity) but to the owner of the improvements (our private entity). Although we list many of them below as worthy of later consideration and study, we have selected not to speculate on those many available tax credits at this stage, but rather to simply estimate a lump sum of approximately \$10,000,000. We recognize that this will, without a doubt change, but we feel that at this point it is satisfactory to be able to ascertain the basic structure within which the financial details will unroll. It is sufficient for the developer's financial planning and commitments at this stage.

Federal Solar Energy Investment Tax Credit (FITC)

A 30% federal solar energy tax credit is currently available with respect to solar electric photovoltaic systems equipment and installation expenses, provided that these expenditures are made prior to the current "sunset date" of December 31, 2016. Because final plans for the rehabilitation of this building have not yet been drawn, this potential tax credit has not been estimated as a part of the financing of this building. It will certainly be considered as design plans are created and completed.

State Solar Investment Tax Credit

A 50% state solar energy tax credit is currently available with respect to the yet-to-be-determined expenses for solar electric photovoltaic systems equipment and installation expenses that are applicable to residential housing planned for the Project. Because final plans for the rehabilitation of this building have not yet been drawn, this potential tax credit has not been estimated as a part of the financing of this building. It will certainly be considered as design plans are created and completed.

Commercial Building Tax Deduction

The Energy Policy Act of 2005 included a new tax incentive to improve the energy efficiency of commercial buildings. The "Commercial Building Tax Deduction" establishes a tax deduction for expenses incurred for energy efficient building expenditures made by a building owner. The deduction is limited to \$1.80 per square foot of the property, with allowances for partial deductions for improvements in interior lighting, HVAC and hot water systems,

and building envelope systems.

Technology Commercialization Credit and Jobs Program

Eyes on the World will have innovative computer interactive desks like no other. The technology will have to be developed specifically for this task. The technology commercialization credit offers tax credits to encourage Louisiana businesses to commercialize research conducted at Louisiana universities and to promote job creation. For commercializing technology -"development of a technology into a commercial product by going through the process of prototyping, securing funding, and other steps necessary to get the final product to the marketplace"-- an individual or business may earn a credit on any income or corporation franchise tax liability equal to 40 percent of an investment up to \$250,000 in commercialization costs for a business location. Credit may be carried forward for up to 20 years. The firm may also earn an additional refundable 6% gross payroll tax credit based on new jobs created and other requirements. Credit on new jobs created may be earned up to five years. It is renewable for an additional five years if the taxpayer demonstrates that they meet all the requirements in the past five years. The program requires an agreement with a Louisiana regionally accredited college, technical school, university, or a research company to commercialize or research a technology.

New Market Tax Credit

The New Market Tax Credit program encourages investment in urban and rural low-income areas to help finance community development projects, stimulate economic growth and create jobs. Private-sector investors receive credit against federal income taxes. The program allows individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities, or CDEs. Credits can be obtained every year the investment is held, for up to seven years of the credit period.

Benefits

Equity investments in low- to moderate-income areas may qualify for a 39% federal tax credit available through a special federal allocation for the Louisiana Gulf Opportunity Zone. Qualifying projects may leverage the federal program through an additional 25% state tax credit (64% total credit). May be used as equity for debt financing.

Louisiana Foreign Trade Zones

Because goods and products may enter into the Eyes of the World for show and/or sale, it may be wise to apply for those four floors to become a Foreign Trade Zone or an extension of an existing Foreign Trade Zone. Louisiana's six Foreign Trade Zones make it possible to import materials and components into the U.S. without paying duties until they enter into the U.S. market. Goods shipped directly out of the country from FTZs are duty-free.

Summary of Current Available Tax Credits

At the present time, the developer is considering only the discounted Federal Historic Preservation Tax Credit (FHTC) and Deduction of \$35,524,929 and the discounted State Historic Preservation Tax Credit (SHTC) and Deduction of \$15,445,621 as applicable to its project at this stage, for a total of \$50,970,550. Adding the generalized lump sum of an additional estimated \$10,000,000 available in the future from other potential tax credits, we arrive at estimated tax credits of \$60,970,550. Deducting an estimated \$3,000,000 if professional fees to obtain these tax credits gives a resulting net of \$57,970,550. In its projections, the developer has chosen to estimate a clean 40% tax credit, or \$ 57,921,080.

4. Detail of all Direct and Indirect Economic Benefits to NOBC and the City

Direct Economic Benefits to NOBC and the City

We offer to pay NOBC Five Million Dollars (\$5,000,000), \$1,250,000 for each of the four years of construction, during the design and construction phase or our development, more than doubling the amount expended by the city to buy out the World Trade Center New Orleans from its lease on the building several years ago.

During the Pre-Construction and Construction Period, Direct Tax Income is expected to be:

State and Local Tax Impact of Construction	
<u>Tax Source</u>	<u>Revenue</u>
State Taxes:	
Income	\$2,310,000
Selective Sales	\$1,580,000
General Sales	\$2,280,000
Business	<u>\$970,000</u>
Total State	\$7,140,000
Local Taxes:	
Local Sales Taxes	\$3,570,000
Local Property Taxes	\$--
Total Local	<u>\$3,570,000</u>
State Plus Local	\$10,710,000

Indirect Economic Benefits to NOBC and the City

The City of New Orleans has taken a wise step in offering the World Trade Center building and site as a Request for Proposal, in order to gather the best ideas possible for this most visible and potentially anchoring site in the region. Situated as it is at the confluence of the city's main artery, the Mississippi River and the heart of the city's historic, business, tourism and activity center, it presents a magnificent opportunity to make a statement to the city, the state, the nation and the world about the beauty and the capabilities of the people of this region. The purpose of this report is to estimate the economic impact of the proposed redevelopment of the World Trade Center building and site, presented by James H. Burch LLC, on the New Orleans economy. Although the proposed development will be broad in scope, this report will only estimate the new economic activity created by the project.

The components of the project include:

- The creation of a luxury hotel, restaurants and meeting rooms at the site of the best views and dead center of New Orleans' activity
- The creation of a revolving rooftop lounge /bar + meeting rooms/banquet rooms + special event facility that will be unique and attract visitors because of its special situation
- The creation of "Eyes on the World" – a site of exhibits of nations from all over the world, both for business and tourism, and also as a tourist attraction new to the New Orleans region
- The return of the World Trade Center New Orleans to its traditional home, where the 300+ present World Trade Centers of the world originated
- The creation of luxury rental units to accommodate some of the thousands of new healthy-income residents who will be coming to New Orleans as a result of medical and other developments ongoing
- The creation of World Plaza retail to extend to Spanish Plaza which will link the activity of the city to the Mississippi River waterfront plaza in an invigorated and powerful new tourist draw that thrills visitors and gives new reasons for longer stays and more expenditure of monies
- The clear and visible statement of the character of New Orleans and its people, in large video presentation and in monumental statement of purpose
-

During the CONSTRUCTION PHASE of the project, based on only preliminary projections prior to negotiations with the NOBC, approximately \$175.7 million will be spent directly in the New Orleans economy. Using standard factors, that direct spending will produce \$160.22 million in secondary spending for a total impact of \$335.96 million. During the construction phase, the proposed project will support, either wholly or in part, a total of 3,586 jobs in the area, creating \$129.63 million in income for residents of the area. In the construction phase of the project, the State of Louisiana will collect an additional \$7.14 million and local governments in New Orleans will collect an additional \$3.75 million for a total of \$10.71 million of new revenue for state and local governments.

And ...

Once the FULL DEVELOPMENT of the World Trade Center is STABILIZED and is fully operational, it will create new direct spending in the New Orleans economy of \$71.7 million annually. That direct spending will create \$57.91 million in secondary spending for a total impact of \$129.61 million annually in the City's economy. The operations of the World Trade Center site, once they are fully operational, will create \$131.29 million annually in earnings for 3,632 new jobs created in the community. Once the redeveloped World Trade Center site is completely stabilized, it will produce \$13.01 million annually in tax revenue for the State of Louisiana. Local governments, including the City of New Orleans, the Orleans Parish School Board, and a host of other local government entities in the City will receive \$11.76 million annually in new revenue. Finally, the proposed project will generate \$4.63 million annually in new tax revenue for the City of New Orleans general fund.

Preliminary Impact of the Economic Impact of the Proposed World Trade Center Site Redevelopment

Category	Construction Phase	Stabilized Year
New Direct Spending	\$175,737,600	\$71,700,000
New Secondary Spending	\$160,220,000	\$57,910,000
New Total Spending *	\$335,960,000	\$129,610,000
New Jobs Created	3,586	3,632
New Earnings Created *	\$129,630,000	\$131,290,000
New State Tax Revenue	\$ 7,140,000	\$ 13,010,000
New Local Tax Revenue	\$ 3,750,000	\$11,760,000
New State and Local Tax Rvn. *	<u>\$ 10,710,000</u>	<u>\$24,770,000</u>
New funds into local economy *	\$476,300,000	\$285,670,000

\$285.67 million injected into the local economy each year, equals over \$28 trillion into the New Orleans/Orleans Parish economy over the lease.

5. Special Considerations Asked of the City

The following items below are not conditions precedent to our bid proposal – they are not “deal-breakers. Rather the suggestions are presented as outside the “box” thinking that would make a much better waterfront, a much better site. We are hopeful the city will work with us on these ideas. If the city is unable or alternatively chooses not to do these, our bid stands. Our confidence of success is solid with our proposal.

- (A) We ask the city to join with us and the Hilton Riverside Hotel management to negotiate a new lease on the parking garage which was originally built for parking for the World Trade Center building and is now leased to Hilton. We ask that Hilton and the World Trade Center building have joint use of the parking, and that the lease be rewritten to extend to the end of the lease on the World Trade Center building. Financial terms and conditions could be worked out during the four month period after the RFP Award date.
- (B) We ask that the city allow us to build approximately 22 feet above the railroad/streetcar tracks adjacent to the World Trade Center building on this WTC site, and to each side adjacent to it, so that we might thereby extend the feel and use of the Spanish Plaza, and might also provide safer crossing of the tracks by pedestrians. We solicit the city, along with the developer for joint-cooperation with any agencies who have jurisdiction over the railroad tracks, streetcar tracks, and air rights above, to construct platform floors over the railroad and streetcar tracks on the subject property.
- (C) We ask that the city expedite permitting and approvals on a fast track basis, so that upon signed lease agreement we can immediately begin gutting the building, cleaning the exterior, begin renovation of the mechanical components, and begin expansion and renovation of the Plaza. The Fast Track approach will allow the city and the developer to accomplish our mutual goal that this new public space be ready and operational for the city’s Tricentennial.
- (D) The city will remain the owner of the property. Therefore, together with the developer/contract holder, we ask that the city execute documents required, along with the developer/contract holder to apply for and pass to the developer/lease holder all federal and state tax credits that will be approved and no expense to the city. The owner of the property requesting tax credits has to be applicant. THE developer/lease holder would technically sign with the city, who would ASSIGN ALL TAX BENEFITS/TAX CREDITS, BOTH FEDERAL, STATE, AND LOCAL TO the developer/lease holder.
- (E) We RECOMMEND that the city CONSIDER moving the ferry terminal operation away from the foot of Canal Street to some other location. This is a central commercial pedestrian location - a primary focus of the city. To have an industrial use here is outdated for highest and best use of the land. To direct such abundance of unnecessary traffic to this point is perhaps not the best commercial use for the site. We ask that – if the city does move the ferry terminal operation to another location – the buildings and dock be left behind untouched, and we would like the opportunity to incorporate them into our overall development plans for the site ... subject, of course, to an acceptable plan for the city including ultimate negotiation and contract for both sites.

(F) We are compelled to ask the city to WARRANT IN THE LEASE AGREEMENT that **no building of any sort be allowed to be erected in the Spanish Plaza on land from the WTC site to the waterfront.**

The RFP issued by the NOBC on January 3, 2013 listed nine goals, required of the Respondents and stated that a substantial part of the award would be based on how the Respondents addressed these city requirements. Three of those goals had to do with the RFP site's relationship with the Spanish Plaza: "4. Transform the site by creating a demand generator to the Riverfront, its enjoyment and use. 5. Improve the pedestrian transition from the French Quarter and Central Business District to the site and river and enhance the riverfront view from Canal Street. 6. Create a coherent, unified environment through integration of adjacent land uses and spaces."

Thus, the city was asking us as a respondent/developer to be willing to spend, in our case, up to \$200 million in investment at this site, clearly tied to the Spanish Plaza – and yet the city, after email request, did not provide information that the Spanish Plaza IS CURRENTLY UNDER GROUND LEASE TO ANOTHER MAJOR COMMERCIAL ENTITY. That commercial entity may have goals different than ours, and may, after we expend up to \$200 million at this site, decide to build or engage in their own commercial activities at Spanish Plaza, which would then derive great benefit from our investment at no cost to them.

A valid concern came from our financial consultants is that not three months after this RFP was issued, asking respondents to spend money and time to submit proposals to DO SOMETHING with the WTC building, a bill was introduced in the Louisiana legislature in early April 2013 to authorize the issuance and sale of public bonds to obtain twenty five million dollars (\$25,000,000) to RAZE THE WTC BUILDING and AN ADDITIONAL TWENTY-FIVE MILLION DOLLARS (\$25,000,000) to build a park there. We recognized at once that the city had thought a lot about this site, and has assured its citizens a Win-Win situation in any event. If you didn't have our proposal, you might have to think about reverting to a tear-down; but WITH ours you have a brighter option.

Such legislation surely had to have been discussed within the city before it would be introduced at the state level in Baton Rouge. OUR RFP APPLICATON PROPOSAL HAS INCURRED OVER TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$250,000) with professional consultants, legal, accounting, and tax considerations, hotel management discussions with four national flags, and other expert work. An extraordinary number of hours of talented manpower diverted from other profit-making endeavor has created this proposal, which we believe speaks for itself. We trust that you will see that our submittal shows extraordinary vision to bring the WTC into the 21ST century, and provide great benefits for the people of New Orleans.

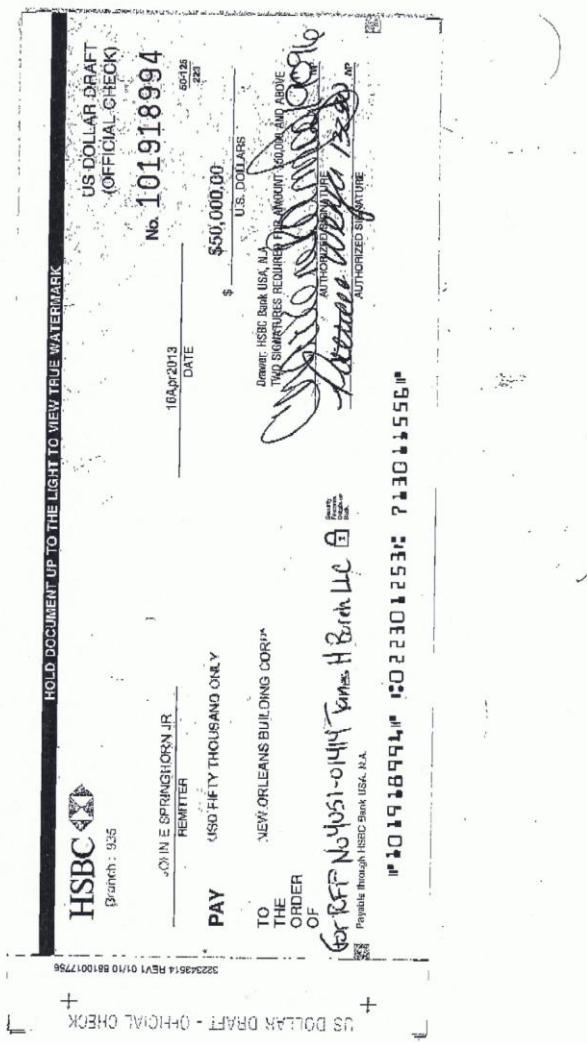
Without this BUILDING RESTRICTION ON THE LAND FROM WTC TO THE WATERFRONT AND SURROUNDING THE WTC (SPANISH PLAZA) OUR FINANCIAL LENDER (or ANY financial lender) WOULD BECOME HESITANT TO COMMIT ON THE SIGNING OF A 99 YEARS LEASE WITH THE FINANCIAL GUARANTEES THAT ARE REQUIRED BY THE CITY.

OVER THE PERIOD OF THE LEASE TERM THE CITY WILL RECEIVE APPROXIMATELY ONE HUNDRED AND FIFTY MILLION DOLLARS (\$150,000,000). NOT A BAD ALTERNATIVE TO SPENDING FIFTY MILLION DOLLARS (\$50,000,000) OF BONDHOLDERS/TAXPAYERS MONEY TO TEAR DOWN AND HAVE A PARK WHEN YOU SEE WHAT OUR PROJECT IS GOING TO PROVIDE TO THE CITY! However, it is clear that the city must be commended for its innovative thinking in having the request for Fifty Million Dollars (\$50,000,000) submitted to Baton Rouge for the alternative of tearing down the WTC building and rebuilding a park. You indeed do have a Win-Win situation. If our proposal is chosen, there will be substantial financial benefits, more tourism and a more dynamic set of city options. If there is no acceptable RFP submission, the city is timely on its application for bond approval from the state.

Other Requirements

1. The \$50,000 Deposit

The \$50,000 check submitted with this proposal in response to the RFP is enclosed with our letter of introduction.
(Copy below)



2. Completed Forms

On the following pages are copies of forms required to be submitted with this RFP. Originals of these forms are enclosed with the letter to the Purchasing Department which accompanies and introduces this proposal package.

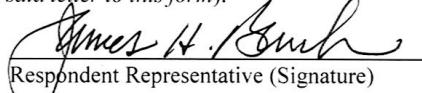
CONFLICT OF INTEREST DISCLOSURE AFFIDAVIT

STATE OF LOUISIANA VIRGINIA

COUNTY
PARISH OF FAIRFAX

- Before me, the undersigned authority, came and appeared JAMES H. BURCH, who, being first duly sworn, deposed and said that:
1. He/She is the Managing Partner and authorized representative of JAMES H. BURCH LLC, hereafter called "Respondent."
 2. The Respondent submits the attached proposal in response to City of New Orleans Proposal # 4051-01414.

3. The Respondent hereby confirms that a conflict(s) of interest ~~exists~~ does not exist/~~may exist~~ in connection with this solicitation which might impair Respondent's ability to perform if awarded the contract, including any familial or business relationships that the Respondent, the proposed subcontractors, and their principals have with city officials or employees. (*If a conflict(s) of interest exists and/or may exist, describe in a letter the nature of the conflict, the parties involved and why there is a conflict. Attach said letter to this form.*)



Respondent Representative (Signature)

JAMES H. BURCH
(Print or type name)

13419 CAVALIER Woods DR, CLIFTON, VA
(Address)

Sworn to and subscribed before me, Elise Langer Notary Public, this 14 day of April,

2013.C


Notary Public (signature)
Notary ID#/Bar Roll # 1543775
My Commission Expires 10/31/17

CITY OF NEW ORLEANS TAX CLEARANCE AUTHORIZATION

According to Section 2-8 of the Code of the City of New Orleans, Louisiana 1995, the City may not enter into or make payments under a contract, grant or cooperative endeavor agreement with any person, corporation, or entity delinquent in City taxes. This form supplies the needed tax clearance. This clearance is issued without prejudice to any tax liabilities discovered by audit.

Please refer to the instructions on the back of this form

BUSINESS NAME:	<u>JAMES H. BURCH LLC</u>		
OWNER'S NAME:	<u>James H. Burch</u>		
TYPE OF BUSINESS:	<u>REAL ESTATE DEVELOPMENT</u>		
BUSINESS ADDRESS:	<u>13419 CAVALIER Woods DR.</u>		
MAILING ADDRESS:	<u>CLIFTON, VA 20124</u>		
CONTACT TELEPHONE:	<u>703-818-8080</u>		
FAX NUMBER:	<u>703-991-2678</u>		
E-MAIL ADDRESS:	<u>Jim@JamesH.Burch.com</u>		
PRINT NAME:	<u>JAMES H. BURCH, MANAGING PARTNER</u>		
AUTHORIZED SIGNATURE:	<u>James H. Burch</u>	DATE SIGNED:	<u>April 12, 2013</u>

I certify that I have the authority to execute this form with respect to the tax matters covered and that the above is true and correct.
The City of New Orleans is authorized to inspect and/or receive confidential tax information.

BUREAU OF REVENUE (Room IW15)	BUREAU OF TREASURY (Room IW37)
This clearance covers Occupational License and Sales/Use taxes.	This clearance covers Ad Valorem taxes for Real Estate and Business Property taxes.

I hereby assert that after review of the taxpayer's records of this date that the taxpayer IS NOT delinquent in any taxes owed to the city. This clearance covers the period today through March 1, 20_____. The above clearance may be revoked for failure to pay sales tax.

I hereby assert that after review of the taxpayer's records of this date that the taxpayer IS NOT delinquent in any taxes owed to the city. This clearance covers the period today through March 1, 20_____. The above clearance covers the period today through March 1, 20_____.

CITY OF NEW ORLEANS
IDENTIFICATION OF SUBCONTRACTORS

STATE OF LOUISIANA
COUNTRY
PARISH OF FAIRFAX

- Before me, the undersigned authority, came and appeared JAMES H. BURCH, who, being first duly sworn, deposed and said that:
4. He/She is the MANAGING PARTNER and authorized representative of JAMES H. BURCH LLC, hereafter called "Respondent."
5. The Respondent submits the attached proposal in response to City of New Orleans Proposal # 4051-01414.
6. The Respondent hereby identifies the following persons, natural or artificial, who are retained by Respondent at the time the attached proposal is submitted and who are expected to perform work as subcontractors in connection with the Respondent's work for the City. Respondent hereby acknowledges and agrees that when new subcontractors not previously named are added to the project, they must be promptly identified to the City User Department within 48 hours of the change. The official change may not take place unless and until the City provides its written approval.

ALLAN McDONNEL, THE McDONNEL Group
Person(s) and Company Name (if applicable)
WATG ARCHITECTS
PIO LYONS, PEREZ
PETER AREY, ARBY-PEER PARTNERS
GARY SCHNELLBACHER, SCHNELLBACHER
DEVELOPMENT SERVICES

DORIAN BENNETT, SOTHEBY'S
PETER CARONE, AIA, CONSULTING ARCHITECT

James H. Burch
Respondent Representative (Signature)

JAMES H. BURCH
(Print or type name)

13419 CAVALIER Woods DR, CLIFTON, VA
(Address)

Sworn to and subscribed before me, Elise Langer, Notary Public, this 14 day of April,

2013.

Elise Langer
Notary Public (signature)

Notary ID#/Bar Roll # 7543775
Commission Expires 10/31/17

RFP No. 4051-01414

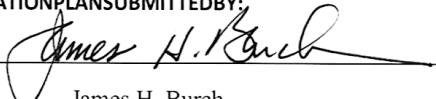
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Section I. Respondent

Company	James H. Burch, LLC
Contact	James H. Burch
Address	13419 Cavalier Woods Drive Clifton, VA 20124
Telephone/Fax	703.818.8080
E-Mail	Jim@JamesHBurch.com

RFP/RFQ-SolicitationNumber	4051-01414
TitleoftheProjectandLocation	Redevelopment of World Trade Center Site

DBE PARTICIPATION PLAN SUBMITTED BY:

Signature:  Date: April 16, 2013
Printed Name: James H. Burch

Title: Managing Partner

The following employee will be the **Administrator** of this DBE Participation Plan:

Name: James H. Burch Title: Managing Partner

Address: 13419 Cavalier Woods Drive
Clifton, VA 20124

Telephone: 703.818.8080 E-Mail: Jim@JamesHBurch.com

PLEASE NOTE: Because of the nature of this RFP - no definitive specs on component uses, on schedule, or on future parties or contractors to be involved, among other things - giving the exact percentages and dollar amounts of DBE participants in this development is virtually impossible. At this point, we can, however, state with certainty that we WILL COMPLY with the diversity requirements of the lease we will have with the city through our DBE Participation Plan. The point of our efforts in this development will, obviously, be our General Contractor, The McDonnel Group. The McDonnel Group has already built and developed projects in New Orleans, and have been 100% in compliance with all city DBE requirements. They will do so for their behalf and for ours in this development. They have for years met with prospective DBE firms, used them on other projects, and are intimately familiar with the process and the success of meeting any city-required goals. THESE CITY-REQUIRED GOALS WILL BE MET FOR OUR LEASE WITH THE CITY FOR 35% OF ALL OUR EXPENDITURES. We will accomplish all DBE goals required by the city. We understand that this would probably be a considered in our negotiations with the city, upon award of the bid.

[3]

Section II. DBE Participation Plan

The following, together with any attachments, is submitted as a **DBE Participation Plan** to satisfy the requirements of City of New Orleans Ordinance 70.432.1.

The following goals are established for the term of the proposed contract. Percentages may be rounded to nearest tenth of a percent.

1. a. Total Contract Value \$ 180,737,600 (including options) (Estimate if necessary)

b. Total Subcontracted \$ 108,442,560 60 % of 1.a.
(Inclusive of all planned subcontracting to all businesses, regardless of size)

2. The following dollars and percentage goals are applicable to the contract cited above.

a. Certified SLDBE \$ 30,363,920 28 % of 1.b.

Total planned subcontracting dollars under this contract will go to subcontractors who are certified as a State & Local Disadvantaged Business Enterprise (SLDBE) through the City of New Orleans, Sewerage & Water Board of New Orleans, Harrah's Jazz Casino or the New Orleans Aviation Board. You can find the most recent list of certified SLDBE firms at www.nola.gov/Businesses/Office-of-Supplier-Diversity. You may also contact the Office of Supplier Diversity via email at SupplierDiversity@nola.gov to request a copy of the list.

b. Certified LAUCPDBE \$ 13,013,107 12 % of 1.b.

Total planned subcontracting dollars under this contract will go to subcontractors who are certified as a DBE through the Louisiana Department of Transportation's Unified Certification Program. You can search for certified LAUCPDBE firms at www.dotd.la.gov/lettings/subsdebed/dbhq20110126.asp.

c. Local \$ 21,688,512 20 % of 1.b.

Total planned subcontracting dollars under this contract will go to subcontractors who are local business concerns. A local business concern is an Orleans Parish business.

Section III. Subcontractor's Scope of Work

Provide the name of the firm, the type of firm (2a. through 2d. in Section II) and the services, products and/or scope of work commitments by the firm(s).

Name of Firm: Perez, APC Proposed DBE Participation (%): 1%

Firm Contact: Angela O'Byrne

Address: 317 Burgundy Street, Suite 11 City/State/Zip: New Orleans, LA 70112

Telephone: 504.584.5100 E-Mail: _____

SUBCONTRACTOR TYPE: 2A; 2B; 2C;

SCOPE OF WORK: Describe below or attach the work to be performed by the DBE firm

Architecture and Planning

Name of Firm: Perle Proposed DBE Participation (%): 13%

Firm Contact: Megan Fuselier

Address: 1050 South Jeff Davis Pkwy, Suite 219 City/State/Zip: New Orleans, LA 70125

Telephone: 504.304.6136 E-Mail: megan@perleconstruction.com

SUBCONTRACTOR TYPE: 2A; 2B; 2C;

SCOPE OF WORK: Describe below or attach the work to be performed by the DBE firm

Construction Services

Name of Firm: Creek Services LLC Proposed DBE Participation (%): 2%

Firm Contact: Terri Hightower

Address: 1112 5th Street City/State/Zip: Harvey, LA 70053

Telephone: 504.362.9432 E-Mail: t.hightower@creekservicesllc.com

SUBCONTRACTOR TYPE: 2A; 2B; 2C;

SCOPE OF WORK: Describe below or attach the work to be performed by the DBE firm

Heavy Civil Construction, Site Preparation, Excavation

Name of Firm: Trimark Constructors LLC Proposed DBE Participation (%): 19%

Firm Contact: William Ryan

Address: 3350 Ridgelake Drive, Suite 111 City/State/Zip: Metairie, LA 70002

Telephone: 504.304.3867 E-Mail: wryan@trimarkconstructors.com

SUBCONTRACTOR TYPE: 2A; 2B; 2C;

SCOPE OF WORK: Describe below or attach the work to be performed by the DBE firm

General Construction

ATTACH ADDITIONAL PAGES IF ADDITIONAL SPACE IS REQUIRED

Part IV. DBE Participation Plan Method

a. The following method was used to develop the DBE Participation Plan. Please explain:

1. How the products and services to be subcontracted were established;
2. How the areas to be subcontracted were determined; and
3. How their capabilities were determined.

This project includes design, engineering, construction, maintenance, logistical, support and services. The subcontract services were based on the subcontractor's professional experience and qualifications as well as their classification as qualified DBEs and/or Small Locally-Owned Businesses.

b. If indirect or overhead costs have been included in the subcontracting goals specified in Sections II, explain the method used in determining the proportionate share of indirect and overhead costs to be allocated to subcontractors:

No Developer indirect or overhead costs were allocated to subcontractors costs in Section II.

MBE/WBE/DBE PROGRAM

The McDonnell Group has implemented the following policy and procedures. These procedures have been established as a foundation upon which to continually build for the betterment of MBE/WBE/DBE businesses and the construction industry in general.

The McDonnell Group acknowledges that this is an evolutionary process. With time, new practices will be adopted, old practices renewed and a better understanding of the overall program attained. This outline is considered to be a streamlined approach that yields itself to flexibility.

It is The McDonnell Group's hope and desire that, through this program, new relationships will be established. Subcontractors who may not otherwise have the benefit of performing work on associated projects will be given the opportunity to expand. During the course of this program, it is anticipated that small businesses have the opportunity to expand and grow and become more proficient in every area of the trade (i.e. accounting, trade skills, management, people skills, business savvy, etc.) For those who can effectively perform their respective scope of work and render a quality product, it is hoped that long-term relationships are developed.

Pre-Construction Services

The McDonnell Group recognizes that in order to affect the above goal, outreach and good faith efforts are needed to initiate interest, identify recruitment sources and structuring procurement in such a way to allow MBE/WBE/DBE contracting firms the opportunity for involvement. It is our intent to accomplish this via the following methods: community outreach meetings, advertisements, notification to related organizations, project scope forms, time lines and particulars sent to prospective MBE/WBE/DBE by certified mail return made known.

receipt requested, follow up by telephone five days after mailing, pre-bid meetings and structuring of bid packages to allow for breakdown of work and comparable scope between similar trades, matching MBE/WBE/DBEs with prospective bidders on large packages where they may not be competitive.

The McDonnell Group will begin by drawing on its existing database of MBE/WBE/DBE subcontractors and suppliers. This database was built over our twelve years of seeking out and working with minority and disadvantaged businesses.

The McDonnell Group will conduct additional outreach through advertisements to trade organizations, special interests group publications and large distribution publications. The McDonnell Group hopes to make the contracting opportunities widely recognizable. It is The McDonnell Group's intent to structure verbiage of this advertisement in such a way to show forth sincerity and responsibility. Subcontractors who respond to said advertisements would be maintained in a database for future contact when their appropriate scope of work is bid.

In addition to advertisements, it is The McDonnell Group's intent to notify various organizations whose purpose is to assist special interest groups targeted for the construction industry. Letters requesting initial interest and member listing will be forwarded to these organizations. Organizations wishing to participate in said project will have their members listed in the contact list for bid solicitation. Furthermore, The McDonnell Group will inform special interest organizations of contracting opportunities by speaking when invited to the organization's meeting.

During the lecture, scopes of work targeted to special interest groups with approximate dollar amounts will be made known.

The McDonnell Group will forward construction drawings and documents to the organization to accommodate bidding convenience.

When a particular scope of work is published for bid solicitation, The McDonnell Group will further accommodate interested bidders via pre-bid meetings. Pre-bid meetings will be conducted if one or all following conditions are met:

- The McDonnell Group deems it to be in the best interest of the subcontractors
- Subcontractor(s) request a meeting
- Complexity of scope of work requires ample clarification

During the meeting, bidders will be given a bid package that clearly defines a scope of work and a method of submitting proposals, availability and access to construction documents.

Bid packages will be structured in a format which is simplified and conducive to identifying scope between various subcontractors. In an attempt to accommodate MBE/WBE/DBE participation, bid bonds will not be requested unless deemed necessary by The McDonnell Group. A bid bond will be requested only when said scope of work meets one or all of the following characteristics: scope is highly technical, work is critical to the project schedule, scope of work is compromised of a high dollar value, or if required by Owner. Once bids are received, it is The McDonnell Group's intent to ensure that all subcontractors bid on comparable scopes of work.

In order to accommodate the aforementioned, it is necessary to define specific scopes of work. For instance, does a drywall contractor pick-up installation of fire caulking, taping, and finishing? A great deal of effort will be expended in analyzing the various proposals for uniformity. If requested by a number of subcontractors

or deemed by The McDonnell Group to be a benefit to the project, various scopes of work may be broken down and awarded to two or more subcontractors to accommodate a specific scope of work.

This will be beneficial to both the various subcontractors and The McDonnell Group to limit high dollar exposures where it is not the norm for different subcontractors, limit schedule risk when various subcontractors may not have the crew size to adequately staff the project, and limit liability to the Owner, The McDonnell Group, and the subcontractor. It is The McDonnell Group's intent through the above efforts to identify the lowest bidders who are both qualified and have been responsive during the bidding procedure. Once these firms have been identified, steps toward contract award and negotiations will be initiated.

Contract Award

During the award of subcontract agreements, a number of steps will be taken to ensure that the subcontractors have adequately prepared themselves and understand the work which is to be performed, the time it is to be performed within, and the policies and procedures which are to be followed as deemed necessary via the Owner's contract and The McDonnell Group's corporate policy.

The lowest, most qualified subcontractor will be notified and requested to meet with the Project Manager to discuss particulars associated with the respective scope of work. Unless deemed necessary by The McDonnell Group and/or required by the Owner, bonding will not typically be required. Bonding will be required when one or all of the following pertains to a subcontractors' scope of work:

- High dollar amount
- Highly specialized scope of work
- Unusually long fabrication periods
- Work which necessitates very large crew sizes

Once a contract has been awarded, subcontractors will immediately be notified of project coordination meetings and copied on all correspondences that pertain to their portion of work.

In order to assist MBE/WBE/DBE subcontractors who may not have adequate resources to fulfill their portion of work, The McDonnell Group offers cash flow assistance. Cash flow assistance can be any one or combination of the following:

- The McDonnell Group will allow the subcontractors to assign their subcontract agreements to financial institutions to accommodate lending requirements which affect cash flow distribution
- The McDonnell Group will also offer subcontractors assistance in accounting by monthly payroll draws, joint check arrangements to vendors, etc.

Safety Standards

Once a subcontract has been executed on behalf of both The McDonnell Group and subcontractor, The McDonnell Group further strives to accommodate MBE/WBE/DBE subcontractors through the construction process.

Safety Standards

The McDonnell Group will strive to create an environment that is conducive to equality among all subcontractors and employees regardless of age, religion, race, or gender. The McDonnell Group further expects subcontractors to participate in such a work environment and requires an acknowledgment of the same through The McDonnell Group's Equal Opportunity Policy.

During the construction process, The McDonnell Group will strive to meet the employment goals by following up with initial contacts whether initiated by The McDonnell Group or on behalf of the applicant, by requesting lists of minority participants through the local unions and

trade organizations and disseminating lists to respective subcontractors.

The McDonnell Group will strive to refer minority, woman and disadvantaged businesses to the proper union halls, trade organizations, and subcontractors when The McDonnell Group cannot properly accommodate them.

The McDonnell Group will require all subcontractors to be bound by the same terms and conditions as set forth in the MBE/WBE/DBE subcontracting and hiring plan. Furthermore, all subcontractors are encouraged to comply with the spirit of "Open Access" through all the same phases of their contracting and employment opportunities. Subcontractors will be required to forward a written plan on how they are to obtain and/or strive to meet the goals as set forth in the Subcontracting Plan.

During the construction process, The McDonnell Group will accommodate MBE/WBE/DBE subcontractors via bimonthly labor draws, joint check to major material and/or equipment suppliers, guaranteeing payment when requested by material and/or equipment suppliers, and by providing accounting assistance.

An inclusive MBE/WBE/DBE program is not only critical for this project, but for every project. The McDonnell Group builds. Our proactive efforts match our own commitment and we continually strive for improvement.

ATTACHMENTS

Letters of Commitment by Major Participants in this Proposal



April 8, 2013

Attn: Jim Burch
Company
Address or Email

RE: **World Trade Center Redevelopment Project**
Preconstruction and Construction Services, Tax Credit Consultation

Dear Mr. Burch,

The McDonnel Group is honored to have been selected as part of the team to pursue the redevelopment of the iconic World Trade Center Building in New Orleans, LA. The services that McDonnel will provide include:

1. Complete Construction Services
Preconstruction, Estimating, Project Management, Construction Management, Field Logistics, Project Close-Out
2. Tax Credit Consultation
Alan Thriffiley, McDonnel's Administrative Manager, has been managing the finances of construction companies since 1975. With an extensive accounting and tax preparation background, Alan is well versed in researching local, state, and federal tax credits to assist our clients in obtaining maximum benefits on their projects. Alan will lead the tax credit consultation services to research and guide the implementation of any and all available credits applicable to the World Trade Center Redevelopment Project.

We appreciate the opportunity and look forward to being part of the team that sees this project through to its fruition. Please call us if you have further questions.

Sincerely,

A handwritten signature in blue ink that appears to read "Allan McDonnel".

Allan McDonnel
President

3350 Ridgelake Drive, Suite 170 Metairie, LA 70002
P 504.219.0032 | F 504.219.0095 | www.mcdonnel.com





strategy
planning
architecture
landscape
interiors

09 April 2013

James H. Burch, LLC
13419 Cavalier Woods Drive
Clifton, VA 20124
703-818-8080

Via Electronic Mail Jim@JamesHBurch.com

**SUBJECT: Letter of Interest to Propose on Conceptual Design Services
New Orleans World Trade Center Redevelopment**

Dear Mr. Burch:

WATG is pleased to express our interest to act as the conceptual design firm on the James H. Burch, LLC team if chosen for the Redevelopment of the New Orleans World Trade Center Project in New Orleans, Louisiana.

We are pleased to offer you exceptional design talent, unique management capabilities, and the enthusiasm to provide a creative design for your proposed New Orleans World Trade Center Redevelopment Project Development. Below is a brief explanation of the value that WATG and Wimberly Interiors bring to your team:

> Track record of designing distinctive destinations

According to Travel + Leisure and Condé Nast Traveler magazines, 49 of the world's 100 most successful hotels were designed by our firm. Our approach to destination development goes beyond the design, and includes an understanding of the consumer, the journey of the user, and an in-depth knowledge of property operations. We have a track record of success in creating destinations that appeal to travelers from around the world.

> Equal emphasis on creativity and the bottom line

We are just as interested in how properties perform – functionally, financially, and aesthetically. Good design improves our clients' top- and bottom line as has been shown by Smith Travel Research results that show our properties have outperformed their direct competitive sets in rate, occupancy and REVPar for 20 years now. Our experience yields quantifiable results in terms of asset values, revenue potential, profitability and return on investment.

> Knowledge of worldwide destination design trends

As active participants in such international organizations and programs as the Urban Land Institute, Cornell's Center for Hospitality Research, Radical Innovation in Hospitality – and as proprietary sponsors of research on affluent travelers – we are in a unique position to share insights that will help position your luxury all-inclusive property for success in the future.

Our team is delighted at the prospect of working with you on this exciting project and appreciates the opportunity to submit our qualifications. Please do not hesitate to contact us if you have any questions

WATG | 8001 Irvine Center Drive, Suite 500, Irvine, California 92618 USA | tel +1 949 574 8500 | watg.com

WATG

regarding the information sent. We appreciate your interest in WATG and look forward to collaborating with James Burch, LLC on this most intriguing opportunity.

Kind regards,



Monica Cuervo
Associate Vice President
Managing Director, Irvine

Perez.

ARCHITECTURE
ENGINEERING
PLANNING
INTERIORS
LANDSCAPE
CONSTRUCTION
DEVELOPMENT

April 11, 2013

Mr. James H. Burch
James H. Burch, LLC
13419 Cavalier Wood Drive
Clifton, VA 20124

RE: Redevelopment of the
World Trade Center
New Orleans, LA

Dear Mr. Burch,

Thank you for giving Perez the opportunity to work with you on the proposal for the Redevelopment of the World Trade Center in New Orleans, LA. We look forward to working with you and completing the project upon execution of a contract with the City of New Orleans.

I look forward to hearing from you soon.

Sincerely,



President

AOB/kab

PEREZ, A PROFESSIONAL CORPORATION
317 BURGUNDY STREET, SUITE 11, NEW ORLEANS, LOUISIANA 70112
TELEPHONE 504.584.5100 FACSIMILE 504.584.5140 www.e-perez.com

CHICAGO • DENVER • DICKINSON ND • HOUSTON • LOS ANGELES • MOBILE • NEW YORK • PHOENIX • SAN FRANCISCO • WASHINGTON DC

Peter Capone, AIA

Peter Capone, AIA

3981 Roblar Avenue, Santa Ynez, California 93460
805-895-3552

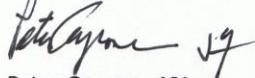
James H. Burch
James H. Burch LLC
13419 Cavalier Woods Drive
Clifton, VA 20124

Dear Mr. Burch:

It is with great interest that I have watched your unfolding plans to redevelop the World Trade Center Building in New Orleans. As you know, I was Edward Durrel Stone's partner and confidant during the period when he was designing that building, and I helped him on it. I am quite aware of what he saw as its most salient features, and can assist you in preserving the integrity and character of the building in your redevelopment.

Therefore, I am happy to offer my services as a consultant to your architectural team as you progress on this project. This is a building dear to my heart.

Sincerely,



Peter Capone, AIA

SCHNELLBACHER DEVELOPMENT SERVICES, LLC
1621 SW MULVANE STREET
TOPEKA, KANSAS
785.224.4741
GSCHNELLBACHER@HOTMAIL.COM

April 10, 2013

Mr. Jim Burch
Managing Member
James H. Burch LLC
13419 Cavalier Woods Drive
Clifton, Virginia 20124

Re: Financial Feasibility Analysis – Redevelopment of the World Trade Center Building, New Orleans, Louisiana

Dear Mr. Burch:

At your request, SDS is pleased to present this preliminary engagement outline under which we would be willing to provide a financial feasibility analysis for the proposed project utilizing master lease terms with the City of New Orleans, estimated construction costs, applicable tax credit information and other relevant information pertaining to the redevelopment of the World Trade Center building, New Orleans, Louisiana.

As we understand this project, the proposed project is to redevelop an existing vacant building into a mixed-use property containing hotel rooms, residential apartments, office space, international tourism exhibition, retail space, and open public space for entertainment uses. Additionally, a parking garage will be either configured from among present options, or constructed to accommodate the parking requirements of the various uses. The finalized configuration, interior quality and other such finish details and uses will be provided after the acceptance of your RFP by the City of New Orleans and the completion of the design phase of the project. Consequently, please let this letter serve as my engagement outline to start the discussion of the finalization of an engagement letter, under which we would be willing to develop our financial feasibility analysis report.

We are confident of our ability to perform this assignment based upon our experience with mixed-use development projects in Texas and Oklahoma, and our hotel market studies and valuation projects within the city of New Orleans. (A partial list is included at the end of this letter)

Scope of Work

The scope of my work will include, but not necessarily be limited to, the following:

Data Analysis

- Review any available planning materials relative to the project. Such materials should include site plans, preliminary drawings, proposed improvement descriptions and uses, construction costs, marketing programs, tax credit information, contracts, leases, financial documents and projections, along with other such related data.
- Meet with you and/or your associates in person or by teleconference prior to commencing fieldwork in order to better understand the site, market and details of the proposed mix-use development. At this meeting we will discuss any questions related to the aforementioned topics and obtain additional input from you that confirms or amends our understanding of the details of the project and provides additional pertinent information.
- Assemble and review economic, demographic, real estate transaction data pertaining to the market area, in general, to evaluate the present economic climate and future growth potential of the community.
- Analyze the future performance of the various aspects of the proposed mixed-use development over a period extending through the first ten years of development, based on a hotel occupancy and rate study. Lease and occupancy studies for the residential apartments, international tourism exhibit "Eyes on the World," office space and retail space to obtain the operating income, expenses and projections as detailed in your finalized documentation. Estimates as to the cost of providing entertainment in the open public space will be developed and included in the analysis.
- Research the contributory value of any city, state or federal tax credit and abatement programs.
- Calculate the rate of return for the project once the equity and financing components are determined.
- Present key data and analysis to you for review and discussion prior to completion of the report.

Financial Projections

- Prepare estimates of annual revenue and expenses for the project to the point of annual net income before debt service and income taxes for the first ten years of the developments to determine the rate of return applicable from the various aspects proposed in the mixed-use development.
- Estimate the contributory nature of the tax credits and incentives, along with the expected funding requirements to complete the development of the projects.
- The basis for the prospective financial analysis and key assumptions underlying inflation estimates will be developed and discussed in the financial section of the report.

Summary Report

- Prepare a concise summary report presenting our findings, conclusions and recommendations concerning the various aspects of the proposed mixed-use development. The following topic headings provide an overview of the expected content:
 - Area Economic Overview
 - Improvement Description
 - Construction Costs and Public Space Utilization
 - Analysis of the Tax Credits and Incentives
 - Estimated Project Performance for the First Ten Years
 - Financial Feasibility Analysis with Rate of Return

Meetings

We will hold telephone conferences with you at a mutually agreeable time to begin the engagement. Telephone conferences of short duration will not be considered "meetings" – nor will our meetings with my staff to gather research data.

Additional meetings are not normally contained within our fee estimate and are usually billed at our standard per diem rates of \$250 per hour or \$1,500 per day for my services, plus travel expenses when applicable. Should you wish to discuss inclusion of a specified number of meetings with various government officials or partners, we can include such costs in the finalized engagement letter.

Limiting Conditions

The summary report will be subject to the attached standard statement of assumptions and limiting conditions.

Fees

Our fee for this engagement is based upon the estimated amount of time spent in the performance of the work, as outlined above, at my standard rate. Unfortunately, at this point in the development process of this project, I am unable to determine the total amount of time required to complete this project to your satisfaction and am therefore, unable to provide you with a fee quote. Once the RFP is accepted by the City of New Orleans and the concept is finalized. We will be willing to provide you with a fee for our services.

In addition to our base fee, travel costs, subsistence, courier service, report production, graphics, third party data, long distance telephone and other out-of-pocket expenses will be invoiced in addition to our professional fees. Three sign original report will be provided at completion. Additional copies will be provided for an additional per report fee.

Engagement Timing

SDS will commence work at a mutually agreed upon time after acceptance of the finalized engagement proposal and receipt of the retainer. Assuming no unusual circumstances, SDS plans to complete the assignment within three months, thereafter.

We appreciate the opportunity to present this preliminary engagement letter to you and look forward to working with you on this exciting project.

Best regards,

Schnellbacher Development Services



G. Gary Schnellbacher
Principal

Partial list of New Orleans and similar projects completed by G. Gary Schnellbacher;

- Appraisal of Ritz Carlson, New Orleans – before and after Katrina, and after repair
- Plaza Tower apartment and condominium market study, New Orleans
- Several confidential market studies for New Orleans Hotels
- Proposed resort market study, Orange Beach, Alabama
- Proposed Convention Hotel market study, Jackson, Mississippi
- Casino-related hotel market study, Shreveport, Louisiana
- Market Study for Red River Mixed-use development on Oklahoma side of the Red River
- Appraisal of Marriott PGA, San Antonio, Texas
- Local development incentive programs and residential opportunities study in Downtown San Antonio for San Antonio Business Alliance
- Hotel-Related Condominium market studies – Houston, Dallas, Austin, San Antonio, Texas and Tempe, Arizona
- Appraisal of Lajtas Resort, infrastructure and residential developments, Lajtas, Texas



Dorian
Bennett

Sotheby's
INTERNATIONAL REALTY

2340 Dauphine Street, New Orleans, LA 70117
t 504.944.3605 f 504.948.3401
www.dbsir.com info@dbsir.com

April 10, 2013

To Whom It May Concern:

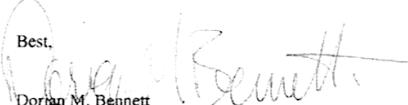
I am please to be able to represent the leasing of the luxury residential units (42 1BR/1BA units and 46 2BR/2BA units) that will be built in the redeveloped World Trade Center building, among other uses, by the developer, James H. Burch, LLC.

I think they will be a wonderful fit into the creative new uses of that building, and that because of both the energy of the site as proposed and of the privacy of entrance and use that is envisioned to be designed into the architecture – potential tenants will find this building a great draw.

I do believe these units will be marketable because upper end renters like to be in and/or near the French Quarter and the Central Business District, the job market shows steady growth and the high end rental activity is brisk in the local market.

If you have any questions please feel free to call me on my cell phone 504.236.7688.

Best,


Dorian M. Bennett
President

Dorian Bennett Sotheby's International Realty
2340 Dauphine Street
New Orleans, LA 70117 USA
t 504.944.3605
f 504.948.3401
c 504.236.7688

Licensed in Louisiana and Mississippi

DMB/ww



DANNY O'FLAHERTY
SINGER, SONGWRITER, STORYTELLER & MUSICIAN

I am very excited about the prospect of returning to New Orleans and this project provides the perfect venue. As you know, this city has always been close to my heart, and the proposed development of the World Trade Centre, as envisioned by James H. Burch LLC speaks of the spirit and vitality of New Orleans and its people. This project will be a magnet for tourists and locals alike. It will provide extraordinary benefits to the city, state, region and the country overall. It will show the world that New Orleans has recovered from the devastation of Katrina, and is back to being the vibrant, unique city it once was.

We feel the addition of Danny O'Flaherty's Folk World to the World Trade Centre will compliment the vision set forth by Mr. Burch. We will work together to bring the world to New Orleans and New Orleans to the world by promoting the spirit and energy so unique to the area. The establishment will provide patrons with the best in live, authentic folk music from around the world. It will help bring the world's music and culture under one roof, in an entertaining and educational way. It will showcase different countries through their music, composition and cuisine.

The proposed redevelopment of this iconic, world centric, New Orleans based landmark will once again be a signature for this great city. This glorious structure, with its amazing amenities will have so much to offer, from office buildings to residential rental units, restaurants to nightclubs, beautiful gardens and common areas. It will be unparalleled and stand unique just like our city. The location of the World Trade Centre stands tall in a perfect location to draw visitors and tourists. The proposed completion of the project, set to coincide with the tricentennial celebration of the city will indeed send the message that New Orleans is once again a thriving, exciting city reclaiming its position in the world as one of the best places in which to live and visit.

O'Flaherty's Irish Channel Pub was a national landmark in this city for 16 years. Its mission was to provide a place where individuals could experience all the Celtic cultures. Danny O'Flaherty's Folk World is an even bigger vision to bring the world together in the spirit of music and song and to promote a sense of unity and acceptance to all who come to New Orleans. I am ready to embark on this journey with James Burch to bring this vision to life.

Sincerely

Danny O'Flaherty

P.O. Box 1615 • JASPER, TEXAS 75951 • 1-800-439-3710 EXT. 102
WWW.DANNYOFLAHERTY.COM • <http://www.powerpresskits.com/PPKs/index.aspx?PPK=9383>

Arey-Peer Partnership

231 Seneca Road • Great Falls, Virginia 22066 • 703-789-7612 • peter@areyinc.com

Mr. James H. Burch
James H. Burch LLC
13419 Cavalier Woods Drive
Clifton, VA 20124

April 1, 2013

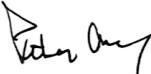
Dear Jim,

It has been a pleasure working with you towards the submission of your proposal responding to RFP No. 4051-01414 from the New Orleans Building Corporation. I am encouraged by the prospects of this submission, and by the great potential it holds for that city.

We have been working toward my company, Arey-Peer Partnership, becoming the Construction Manager/Owner's Representative for the development and construction of this project. I look forward to concluding that and moving into the full-fledged construction at this development as quickly as possible. I understand we would want to finish as much as possible, certainly the exterior, by the city's TriCentennial celebration in 2015.

As you know, Steven Peer and I have had extensive experience in the development and construction of projects of this size. With you, we can make this happen.

Sincerely,



Peter Arey
Partner